

# Current History

A WORLD AFFAIRS MONTHLY

OCTOBER, 1975

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# Current History

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# Current History

OCTOBER, 1975

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*What changes have taken place in the Soviet Union in the past year? Has its policy changed toward the United States and the Western world? Toward East Europe and China? In this issue, seven articles evaluate the Soviet Union today. As our introductory article points out: "Since 1972, Soviet-American relations have developed a rhythm of more or less continuous negotiations on major issues, regular meetings at the summit with accompanying fanfare and some agreements, and a host of exchanges and cooperative enterprises in many fields." Nonetheless, "in 1975, détente was losing some of its gloss."*

## Soviet-American Relations: Détente and Dispute

By JOHN C. CAMPBELL

*Senior Research Fellow, Council on Foreign Relations*

ON AUGUST 1, 1975, in Helsinki, a dazzling array of top leaders, including United States President Gerald R. Ford and Soviet Party General Secretary Leonid I. Brezhnev, put their signatures to the massive document that emerged from two years of negotiation on "security and cooperation in Europe." To many observers, including official spokesmen of the Soviet Union, this was the equivalent of a peace treaty confirming the consequences of World War II and marking the change from cold war to cooperation in Europe. On the same occasion in Helsinki, Gerald Ford and Leonid Brezhnev conferred with each other and reported progress toward further agreements and an understanding on a number of critical problems under negotiation: strategic arms limitation (SALT), mutual force reductions in Europe, and peace in the Middle East.

Détente appeared to be flourishing. But was it? Despite tempered official satisfaction, questioning voices continued to be raised on both sides. It was difficult to avoid the conclusion that, while the "era

of negotiation" (as President Richard Nixon had called it) was generally useful and in some respects necessary in terms of the interests of both countries, it was still very much on trial.

To evaluate the relationship midway through 1975, it may be helpful to look briefly at how it has developed and to try to sort out the realities and the atmospherics. That estimate must rest in large degree on the purpose and the practice of Soviet policy. The Twenty-fourth Party Congress in 1971 marked the formal adoption of a strategy of "peaceful co-existence" by the Soviet Union, and at the first Nixon-Brezhnev summit, in 1972, the two leaders signed a declaration of principles which enshrined that term as basic to their countries' mutual relations.<sup>1</sup> But only experience would reveal what it meant.

Since 1972, Soviet-American relations have developed a rhythm of more or less continuous negotiations on major issues, regular meetings at the summit with accompanying fanfare and some agreements, and a host of exchanges and cooperative enterprises in many fields. Leaders on both sides who initiated this course and have persisted in it despite conflict and controversy have demonstrated a clear intent to justify it to their own peoples, to consolidate support for it, and to make known their accomplishments

<sup>1</sup> Leonid Brezhnev's report to the 24th Party Congress, *Pravda*, March 31, 1971 (English translation in *Current Digest of the Soviet Press*, vol. 23, no. 12, pp. 3-13); Soviet-American agreement on "Basic Principles," *Department of State Bulletin*, June 26, 1972, pp. 898-9.

to the world. At the same time, the adversary relationship remains. Greater civility of intercourse and greater frequency of negotiation have not resolved issues that grow out of the natural competition of the world's two strongest powers and their differing ideologies and approaches to world politics. The two governments have come to regard détente, in this sense, as a way of dealing with one another; they see this mixture of negotiation, limited cooperation, and continued competition as better suited to the pursuit of their respective interests and aims than would be a reversion to the methods of the 1950's and 1960's.

In its most elementary form, the acceptance of "peaceful coexistence" by the two powers represented a simple acceptance of the fact that they had to avoid nuclear war. This general proposition had been valid for many years, even at the height of the cold war. It was only in the 1970's, however, that it was matched by a willingness to seek practical ways of reducing the danger by stabilizing the balance between the two powers and by finding ways to manage the inevitable conflicts and crises. It was then possible, by a process of give and take, to regularize the situation in Central Europe by de facto acceptance of the division of Germany and negotiation of a new agreement on Berlin, to limit arms levels and reduce military confrontation, and to dismantle many restraints on trade and other exchanges. These measures encouraged a relaxation of tensions, which in turn served to open the doors to increased cooperation.

Alvin Rubinstein, writing in these pages one year ago, noted some of the Soviet gains from the policy of détente, which may be taken as reflecting the reasons for embarking on it: Western acceptance of the territorial status quo in Europe; effective parity in strategic weapons; relative gains in conventional military strength; stimulation of divisive tendencies within the Atlantic community; slowing down the American courtship of China; credits and technology from the West; and the selective application of cooperation, seeking agreements in fields where Soviet interests are served thereby and avoiding them elsewhere.<sup>2</sup>

The limits of cooperation were evident both in the persistence of conflicting interests and in the differences of motive and of interpretation. The two

powers did not call off their ideological conflict; indeed, it was a Soviet thesis that peaceful coexistence, an idea traced back to Lenin, was a means of waging the struggle of socialism against capitalism. The United States, according to the thesis, had only accepted peaceful coexistence because it had to: the growth in the power of the socialist world, primarily the Soviet Union, had forced the Americans to recognize the realities and to modify their aggressive policies.<sup>3</sup> The implication was that, as the balance of forces in the world shifted further in favor of socialism, the United States and other capitalist countries would have to adjust their policies accordingly.

On the American side, there was no such established body of theory. Certainly Richard Nixon and his secretary of state, Henry Kissinger, had no naive faith in the benevolence of the long-term aims of the Soviet Union. They took the phrase "peaceful coexistence" to mean simply what the words said: that the two powers were compelled to avoid war with each other. Accordingly, the United States and the Soviet Union would have to set agreed limits to their competition, act together to prevent situations dangerous to peace from developing, and find some areas of common interest in their bilateral relations and in multilateral arrangements with others. In Secretary Kissinger's words, it was necessary to build a web of interdependence, so that both powers would find increasing reason to cooperate. The more cooperation the United States could secure from the Soviet Union, the less dangerous and less costly might be the task of defending its own security and that of its allies, and the more hope for a better era. Therefore the whole process of détente "must be carefully nurtured."<sup>4</sup>

The story of détente in the past year can best be told by reference to four issues in which the two powers were in contention or in negotiation, or both: strategic arms limitation, security in Europe, the Middle East, and bilateral economic relations. Soviet policies on these issues are described in greater detail elsewhere in this journal. They are considered here only as they throw light on the overall Soviet-American relationship.

## SALT

The strategic arms talks continued because neither side was willing to face their failure, but both sides proceeded with the greatest of caution despite the natural desire of the political leaders to show some results. The summit meeting of 1972 had produced agreed limitations on anti-ballistic missiles (ABM's), but the provisional five-year agreement reached at that time on certain offensive arms (land-based and submarine-launched intercontinental ballistic missiles) had not been completed by a permanent agreement. Despite continuing negotiations at Geneva, the sum-

<sup>2</sup> Alvin Z. Rubinstein, "Soviet-American Relations," *Current History*, October, 1974, pp. 145-159, 181.

<sup>3</sup> See, for example, G. A. Arbatov, "Sovetsko-amerikanskie otnosheniia" (Soviet-American relations), *Kommunist*, no. 3, February, 1973; D. Tomashevskii, "Na puti k korennoi perestroike mezhdunarodnykh otnoshenii" (On the road to a fundamental rebuilding of international relations), *Mirovaia Ekonomika i Mezhdunarodnye Otnosheniia*, January, 1975, pp. 3-13.

<sup>4</sup> Statement to the U.S. Senate Committee on Foreign Relations, September 19, 1974.



mit meetings of 1973 in Washington and 1974 in Moscow produced agreements only on relatively minor questions and some general guidelines for a new treaty on offensive weapons to last until 1985. Then came President Ford's visit with Brezhnev at Vladivostok in October, 1974, where both were eager to record some progress. They put aside the goal of a permanent agreement, and reached an accord setting upper limits over the next ten years on the total strategic delivery systems and missiles each side could have (2,400), of which 1,320 could be MIRV's (multiple independently targetable reentry vehicles). The agreement was to be refined in subsequent SALT negotiations in Geneva and made ready for formal signing, presumably at the next summit.

As usual, negotiating the details proved extraordinarily difficult, because of the complexity of weapons systems and the asymmetry of the two sides. The development of new types of cruise missiles complicated the picture. Should they be included in the limits set at Vladivostok? The old familiar problem of verification appeared in new guise: how to know whether a missile was "MIRVed" or not. The United States wanted to be sure that, having accepted the idea of parity, it was not going to be caught napping while the Soviet Union built up a first-strike capability with its heavy advantage in "throw weight," the megatonnage its strategic weapons could deliver. The Soviets wanted to be sure that the United States was not in a position to gain a superior position by exploiting its advantage in technology.

Each SALT delegation at Geneva found its task complicated by the fact of controversy at home. On the Soviet side, the debate took place within the government and behind closed doors. In the United States, it was carried on among departments of the executive branch, in Congress, between Congress and the executive, and among the interested public. In both countries, the military have been wary of limitations on their ability to get the weapons they need to meet any contingency. And on the political side, those forces more skeptical of the usefulness of détente have been more insistent that defense policy not be hamstrung. This is not to say that President Ford and Kissinger, on the one hand, or Brezhnev, on the other, were pushing soft-line policies against the opposition of the hard-line views of their respective military men or political rivals. But the negotiations were plagued by these internal doubts and differences, and at the highest political level on both sides there was not the combination of will, a sense of urgency, and the capacity to act that would make possible a more telling attack on the problem.<sup>5</sup>

Secretary Kissinger stated, rightly, that it was a major step to set agreed upper limits on offensive strategic weapons, and added that reduction might come in time. But the levels agreed at Vladivostok were very high, and the agreement on underground testing also set limits so high as to be no limitation at all. Other nations had cause to wonder whether the two superpowers were serious about limiting, let alone reducing, the level of nuclear weapons. For the two powers themselves, détente in this field meant only that they would keep talking and that, even if the SALT II agreement should materialize, they would proceed with due deliberation.

### SECURITY IN EUROPE

It is not easy, and is somewhat artificial, to deal with détente and security in the bilateral Soviet-American context without taking account of the broader East-West picture and especially the interests and policies of the West European allies of the United States. The Europeans had a continuing fear with regard to Soviet-American relations: they might be too hostile or too friendly, in either case at Europe's expense. The fact put a special burden on the United States to be circumspect.

The nations of West Europe, of course, were vitally affected by SALT, although they did not participate in it. They were concerned even more with those negotiations on security that bore a European label: the Conference on Security and Cooperation in Europe (CSCE) in Geneva and the talks on mutual force reductions in central Europe (MFR) in Vienna. In CSCE, all the countries of Europe except Albania—east, west, and neutral—were present as equal negotiators, and in MFR a select few from NATO and the Warsaw Pact were talking about ways in which the two sides might reduce by agreement their military deployments in a zone of Europe including the Benelux countries, the two Germanies, Poland, and Czechoslovakia.

It is at the risk of some distortion, then, that we discuss these matters as an aspect of Soviet-American relations. Yet they do have a special interest in that regard, in that the solidarity of the United States with its allies was not total, even on questions centered in Europe, and beyond Europe there were obvious differences between the United States conception of its global responsibilities and Europe's more limited interests and capacities. In the overall development of United States relations with Russia, Europe was only one "theater," albeit a most important one. Washington had three main concerns: first, to maintain the military strength of the Western alliance and to make sure that détente would not weaken it in any way; second, to prevent political and economic deterioration in West Europe, with its risks of social unrest, the breakdown of democratic

<sup>5</sup> See the paper on SALT presented by Marshall D. Shulman at the annual meeting of the American Association for the Advancement of Science, January 31, 1975.

institutions, Soviet meddling, or European accommodation to Soviet pressures leading to "Finlandization"; third, to stabilize East-West relations through acceptance, for the near and mid-term future, of the status quo, while developing peaceful contacts across the line between the two blocs.

For the Soviet Union, the policy of détente had made possible the settlements that the Federal Republic of Germany made with Moscow, Warsaw, East Berlin, and Prague. It meant the acceptance of the consequences of World War II, as Soviet statements put it, a goal long sought by the Kremlin. The campaign for a European security conference, doggedly pursued by Moscow since the mid-1960's as a means of setting the seal of Western approval on these changes and on all existing frontiers, finally produced CSCE and, after more than two years of negotiation, the document signed at Helsinki. It was a measure of the Kremlin's concern about its grip on East Europe, about the permanence of the division of Germany, and about possible Western interference, that it was so persistent in pushing for formal acceptance of a situation long accepted de facto by the West.

For the United States, it did not make all that much difference. On the way to Geneva, the United States achieved a new and better agreement on Berlin and the initiation of the MFR talks in Vienna; it gained some points in the CSCE bargaining with respect to East-West contacts and the principle of peaceful change of frontiers. Thus the Americans and the West Europeans were resigned to letting Brezhnev have his document, which was not a binding treaty, and his summit conference. They still believed that Moscow's East European allies were entitled to greater independence, but they recognized that they could not do anything about it and that the Helsinki declaration, despite clear language to that effect, had not superseded the Brezhnev doctrine.

President Ford came under some criticism at home for journeying to Helsinki to give Brezhnev a propaganda victory and to formalize a "sellout" of freedom in East Europe. The administration's answer was that the declaration was no sellout—not even of the three Baltic states (Estonia, Latvia, Lithuania) from which the United States had never withdrawn recognition—but an agreement that should open the way to greater East-West cooperation. The fact was that the enterprise had gone too far for the United States to withdraw at the last moment or to hold up agreement pending Soviet concessions on other matters.

<sup>6</sup> Lawrence T. Caldwell, "The Soviet Union and Arms Control," *Current History*, October, 1974, pp. 150-154, 178ff. V. M. Komlev, "Realizm—klyuch k uspekhu vyenskikh peregovorov" (Realism—key to success of the Vienna talks), *S.Sh.A.: Ekonomika, Politika, Ideologiya*, March, 1975, pp. 58-61.

The reasoning was all the other way: to close the books on CSCE and make the most of it for its contribution to the ongoing Soviet-American relationship.

A more serious American and European concern was the Soviet intention toward West Europe. From the military standpoint, Soviet and Warsaw Pact forces were not being reduced, at a time when the atmosphere of relaxation made it more difficult for democratic Western governments to keep up their military budgets. The MFR talks were making no headway in the face of widely divergent proposals from NATO and Warsaw Pact delegations. The Soviet concept of reduction by equal numbers or equal percentages seemed to be aimed at cutting into NATO's United States and German forces, the heart of its strength. In order to redress an unfavorable balance, the West countered with the idea of initial unequal reductions of Soviet and American forces.<sup>6</sup> This suggestion had no chance of acceptance by the Soviets. And so the gap remained, with little prospect of bridging it, although an agreement on token reductions for cosmetic purposes was a possibility.

The primary problem was not so much a possible Soviet attack on the West as it was a growing imbalance of forces in Europe that could create opportunities for the Soviets to encourage division and exert pressure on the nations of West Europe, with the ultimate aim the breakup of NATO and the neutralization of Europe. Soviet leaders had the same basic purpose in pushing for CSCE and for an all-European approach to security questions. There may be a surface inconsistency between the practice of détente, which means keeping up good relations with the Western governments and building up trade, and the use of pressure and subversion to undermine their position. The inconsistency is less obvious if détente is seen as a tactic of the day and if the accommodation of West Europe to Soviet policies is regarded as a long-term goal.

Détente, in any event, served the immediate Soviet purposes of getting Western goods and technology through trade and credits, and of softening the West's will to keep up its military strength. New possibilities were opened up by the severity of the economic

(Continued on page 146)

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*"On balance, it would appear that while the U.S.S.R. is not likely soon to lose its influence in the Arab world, Western fears of spectacular Soviet successes are often grossly exaggerated."*

## Soviet Policy in the Middle East

BY O. M. SMOLANSKY

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THE ARAB-ISRAELI WAR of October, 1973, seems to have benefited the U.S.S.R. in a number of different ways. Russian-trained and-equipped Egyptian and Syrian forces performed unexpectedly well. As a result, Soviet influence in Cairo and Damascus is thought by many to have increased dramatically. The oil embargo, accompanied by a sharp rise in the price of petroleum, put severe political and economic strains on the Western alliance. Making use of widespread fuel shortages, the U.S.S.R. sold oil to a number of West European countries, to Japan, and, according to some reports, to the United States as well, charging the fluctuating market price of \$12 to \$18 per barrel. Moreover, both before and after the war, Moscow sold large quantities of modern weapons to a number of Arab states. Unlike many earlier deals, payment was in hard currency.

Outside the Arab-Israeli sector, the Soviets have also gained (albeit indirectly) from the recent internal upheavals in Cyprus, Greece, and Portugal. Combined with the endemic political tensions in Italy, these instabilities have severely detracted from the cohesiveness of NATO's "southern flank." Still, Soviet diplomatic options in these various situations are sharply limited; moreover, in almost every case each available course has inherent drawbacks. Thus, while obviously enjoying the predicament of Washington and its allies, the Kremlin has not been able to use their problems to any substantial advantage.

Nevertheless, what may be seen as a potentially lethal threat to NATO's solidarity, accompanied by what some perceive as a sharp increase in Soviet influence in the Persian Gulf and the Arabian Sea areas, have led many Western observers to conclude that Moscow's star has been steadily ascending in the Middle East since its nadir in July, 1972, when most Soviet military personnel were evicted from Egypt. However, a closer look at the situation calls such a conclusion into question.

In the eastern Mediterranean the U.S.S.R. has maintained a basically passive position and may be said

to have benefited indirectly from the difficulties experienced by the United States; in contrast, in the Persian Gulf, it has pursued an active policy but has not been able to prevent a decline in Soviet influence. The region's militarily strongest, economically most developed and populous state is Iran. In the last few years, Shah Mohammed Riza Pahlavi has expanded economic cooperation with the U.S.S.R. but relations between the two countries, while cordial, have not been close. If anything, they began to deteriorate again in the 1970's, when Teheran emerged as the leading opponent of "foreign interference" in the affairs of the gulf.

The events of the post-1973 period, above all Iran's newly found wealth resulting from the increase in the price of oil and her massive purchases of United States military equipment, have made Iran the dominant regional power in the gulf, and have also prompted the Shah to pursue an active policy of rapprochement with neighboring Arab states. His efforts have met with the approval of the conservative Arab governments, led by Saudi Arabia, as well as Egypt and, more recently, Iraq. The Kremlin, it may be assumed, has not been happy with this turn of events. The Shah, who harbors the traditional Iranian mistrust of the "northern neighbor," has strengthened the determination of the conservative Arab rulers of the gulf to resist Soviet encroachments. He has also succeeded in driving a wedge between the U.S.S.R. and Iraq, which, in the late 1960's and early 1970's, had emerged as one of Moscow's closest friends in the Middle East.

The tenuousness of the present Soviet position in the gulf is further illustrated by recent events in Iraq. In the process of growing cooperation between the two countries, "sanctified" by the 1972 Treaty of Friendship, the Iraqi army was reorganized and equipped with modern Soviet weapons. The Russians also participated in the exploitation of the North Rumailah oil fields, in the development of a number of industrial projects, and in the building of a deep-sea port at Umm Qasr on the Persian Gulf,

where Soviet naval vessels have since made frequent calls. In return, Iraq supplied the Soviet Union with oil. Moscow's hold over Baghdad, many analysts assumed, was substantial. However, as is frequently the case in Middle Eastern politics, appearances may have been misleading.

Signs of potential problems awaiting the Kremlin in Iraq have been in evidence for some time. The ruling socialist Ba'th party, from its inception, has been ideologically opposed to communism. Although it was overshadowed by larger and more important *raisons d'état*, this doctrinal antagonism precluded real intimacy in Moscow-Baghdad relations. In addition, various aspects of the Soviet petroleum policy, particularly during the post-October, 1974, embargo, contributed to Iraq's growing disenchantment with the U.S.S.R. (Iraq had earlier bartered some of her oil for Soviet military and economic aid.) Not only did the Russians insist that Iraq fulfill her contractual obligations by supplying petroleum at pre-embargo prices, they did not join in the embargo (though encouraging the Arabs to persist in it) and actually increased their own exports to the consumer nations. Iraq's objection that her oil was resold in circumvention of the embargo and at an enormous profit (netting Moscow an estimated \$3 billion) was countered by Soviet assurances that imports were being used only in the Soviet Union and East Europe. For obvious reasons, this situation created considerable resentment in Baghdad and elsewhere in the Arab world.

Iraqis were also unhappy with the quality of Soviet goods and services and with Moscow's frequent inability to adhere to agreed-upon timetables. Finally, the Kremlin made no secret of its displeasure with the Ba'th's determination to "settle" the Kurdish problem. A decisive defeat of the 2.3 million Kurds, who inhabit Iraq's oil-rich northern provinces, would deprive Moscow of important leverage on Baghdad. Once the Ba'th decided on an all-out war, the Soviets had no choice but to go along. But their initial attitude—including attempts to dissuade Iraq from an effort to crush the Kurds—must have been very disturbing to Baghdad.

As it turned out, the Kurdish war provided the Ba'th with the opportunity to reassert its independence from Moscow. As the Iraqis were pressing their fight against the rebels (who, because of the traditional hostility between Baghdad and Tehran, were being aided by Iran), it occurred to both governments that a resolution of the conflict could be of considerable mutual advantage. It would preclude the possibility of a major war between the two states. And in exchange for an opportunity to crush the Kurds, Iraq was prepared to settle her many differences with Iran. The agreement, concluded in Algiers on March 6, 1975, resolved most of the prob-

lems outstanding between the two gulf states and opened the door to unprecedented rapprochement.

The Soviet Union, reportedly surprised at the scope of the Iraqi-Iranian accommodation, may be expected to be the major loser politically. In one of the early manifestations of the new situation in the Persian Gulf, Saddam Husein, deputy chairman of Iraq's Revolutionary Command Council, publicly endorsed a gulf security pact, an idea long favored by the Shah. In addition to mutual guarantees of the independence and territorial integrity of the signatories, the document is likely to demand the removal from the gulf of the military and naval presence of outside powers. In practice, this turn of events would result in the abandonment by the United States of its minor naval outpost on the island of Bahrein; but it would also mean the virtual exclusion of the U.S.S.R. from the Persian Gulf, where the Soviets have been hard at work to establish and maintain a political and military presence. It would, moreover, leave the gulf under the control of mostly conservative, pro-West, and anti-Soviet regimes.

Additional evidence of the deteriorating Soviet position in Iraq is provided by Baghdad's economic activities. Since February, 1973, when the Ba'th resolved its long-standing dispute with the old Iraq Petroleum Company, the U.S.S.R. and its satellites have not gained a single major contract in Iraq. Instead, Baghdad has greatly expanded its economic dealings with the West. (For example, United States exports to Iraq have increased from \$32 million in 1971 to \$285 million in 1974.)

Nonetheless, the Soviet Union maintains a certain leverage in Baghdad, which continues to rely on Moscow for much of its military equipment and spare parts. But, as in the case of Egypt, this dependence has not conferred on the Russians the ability to control the actions of the Iraqi government. It remains to be noted that elsewhere in the gulf the Kremlin has not made much headway; most conservative regimes, led by Saudi Arabia, have tolerated only the most superficial dealings with the U.S.S.R.

#### SUCCESSFUL POLICY

In the neighboring Arabian and Red Sea area, the Soviets have scored some significant successes but have also suffered reverses. As a result of the abortive Communist coup in 1971 and the Saudi-inspired revolution of 1974, anti-Soviet regimes have come to power in Sudan and northern Yemen, respectively. In contrast, in southern Yemen (the People's Democratic Republic of Yemen or PDRY) and the Somali Democratic Republic (Somalia) the U.S.S.R. appears to have acquired relatively reliable clients. Both have professed adherence to "scientific socialism"; both have established close political, military,



and economic ties with the Soviet Union; and both have placed some of their military and naval facilities at Moscow's disposal.

As impressive as these gains may seem at first sight, there are reasons to believe that even in these two states the Soviet position is not so secure as many assume. Generally speaking, as has been true elsewhere in the Arab world, deep involvement exposes the U.S.S.R. to the vagaries of local and regional politics. At the moment, the internal situation is stable in Somalia, but the PDRY is experiencing political problems that may one day result in the ouster of the present pro-Soviet regime. Moreover, both governments, whatever their professed ideologies, are deeply nationalistic and acutely sensitive to the appearance, let alone the substance, of foreign control. They are not likely to tolerate Moscow's attempts to dictate their policy. (Indicative of this spirit is their determination to maintain cordial relations with Communist China.) Thus, even though their relative isolation from the mainstream of Arab politics has forced both states to seek Soviet backing, changed conditions may easily lead—as in the case of Egypt—to new foreign policy departures.

In short, while the U.S.S.R. continues to enjoy a privileged status in Somalia and the PDRY, it would be premature to write them off as having moved into the Soviet orbit. Should a change in their political orientation occur, Moscow would suffer another major political setback with serious consequences for the strategic position of the Soviet Union in the Red and, especially, Arabian Seas.

### SOVIET SETBACKS

Over the past three years, Soviet setbacks have been most visible and dramatic in the southern Mediterranean and the Arab-Israeli sector of the Middle East. Egypt is a case in point. The most populous, industrialized, and culturally advanced Arab state, it has been the object of keen Soviet interest since 1955, when Soviet Premier Nikita Khrushchev "discovered" in Egyptian President Gamal Abdel Nasser a "positive neutralist" leader, whose anti-Western stance merited Moscow's support. It is also worth recalling that it was Nasser who, in the aftermath of the 1967 defeat, made Egyptian naval and air facilities available to the U.S.S.R. in exchange for protection against deep penetration raids by the Israeli Air Force. In July, 1972, in a major policy reversal, Nasser's successor, Anwar Sadat, deprived the Russians of the use of Egypt's air bases (some naval facilities remain at Soviet disposal) and ordered the evacuation of most of the Soviet military advisers.

The 1973 war, marked by Moscow's military and political support of the Arabs, did not result in any marked improvement in Soviet-Egyptian relations. Sadat and Syrian President Hafez al-Hassad decided

to go to war partly because of apprehension that, concerned with the larger issues of détente, the superpowers had informally acquiesced in the post-1967 status quo, which left Israel in control of Egyptian and Syrian territory. Persuaded of Moscow's and Washington's indifference and exposed to internal pressures, the two leaders decided to seize the initiative. They calculated, correctly, that a major crisis in the Arab-Israeli sector was bound to reawaken the Soviet-American competition, so necessary for wresting political concessions from Jerusalem.

What transpired subsequently has been most annoying to Moscow. Sadat was aware that the United States alone is in a position to extract concessions from Israel—the Soviet Union simply does not have that kind of leverage in Jerusalem—and was not averse to snubbing the Russians. Thus he wholeheartedly embraced United States Secretary of State Henry Kissinger's initiative, designed to seek phased Israeli withdrawal from the territories occupied in 1967. Vexed by Washington's unilateral approach to the solution of the Arab-Israeli conflict—a move designed to isolate the U.S.S.R. and restore the United States to a position of political primacy in the Middle East—and equally upset by Sadat's willingness to accommodate Kissinger, the Kremlin argued that "step-by-step" diplomacy could at best produce "partial solutions." The Soviet Union went on to say that only the Geneva peace conference, presided over by the United States and the Soviet Union, would guarantee a "just and durable peace." In an attempt to apply additional pressure on Washington and Cairo, the U.S.S.R. also officially endorsed the principle of Palestinian representation at Geneva and expressed itself in favor of the creation of a Palestinian state.

On a practical level, Moscow resumed large-scale arms shipments to Syria, where Hassad, for reasons of his own, has doubted United States willingness to force Israel out of the territories occupied in 1967. As a result, by 1975, the material losses suffered by Damascus in October, 1973, had been replaced. The Soviets also agreed to a ten-year moratorium on the repayment of the Syrian debt. In Egypt, in contrast, the U.S.S.R. not only refused to replace the war losses but actually withheld equipment promised under the terms of agreements concluded prior to October, 1973. Similarly, Moscow has refused to discuss with Cairo (whose economic plight has been rapidly reaching crisis proportions) the possibility of temporarily freezing Egyptian debt payments, on a debt variously estimated at \$4 to \$7 billion. Limited arms shipments were resumed in January, 1975, but, according to Sadat, the war losses have not yet been restored. As a result, relations with Egypt remained strained.

Partly in an attempt to counterbalance the deteri-

oration of its position in Cairo, the U.S.S.R. stepped up its efforts to improve relations with Syria and Libya. Suspicious of United States and Israeli intentions, Hassad's stand complemented the objectives of Soviet Middle Eastern diplomacy. For this reason, Moscow rewarded Hassad with weapons and continued economic aid. (Over the years, the Russians have played an important role in expanding the country's economic infrastructure.) However, this extensive Soviet-Syrian cooperation must not be construed as indicative of subservience by Damascus to the Kremlin in matters considered vital by the Hassad government. For instance, the latter has chosen to continue its feud with Iraq and, in so doing, has contributed to the failure of Moscow's efforts to create a united Arab front intended to deal with Jerusalem as well as Kissinger's attempts to resolve the Arab-Israeli impasse.

Hassad has also cultivated cordial relations with conservative regimes, above all Saudi Arabia and Kuwait, whose large-scale financial assistance has made him more independent of the Soviet Union than the latter would prefer. Finally, Syria has consistently refused to sign a treaty of friendship with the U.S.S.R.

Libya is another Arab country currently being courted by the Soviets. Relations between the two states have been poor both before and after the 1969 revolution that was headed by Colonel Muammar el-Qaddafi, a militant Muslim, whose religious zeal has precluded much cooperation with a Communist regime. Nevertheless, Moscow and Tripoli took the initial step toward cooperation in 1972, when they signed an agreement providing for limited Soviet economic and technical assistance to Libya. Another trade accord, as well as the first arms deal, were signed in May, 1974, followed, one year later, by a major arms agreement. (Under its terms, Libya will receive modern weapons valued at approximately \$1 billion.) Concluded during Soviet Premier Aleksei Kosygin's May, 1975, visit to Tripoli, it was only part of a comprehensive aid program that also includes assurances of technical and cultural cooperation and Moscow's obligation to assist Libya with the construction of a nuclear reactor.

Sadat has insisted that the new accord provided for the establishment of Soviet naval and air bases in Libya, but these claims are as yet unsupported. (In the past, Tripoli has consistently refused to grant the U.S.S.R. even limited port facilities. It remains to be seen whether this fundamental position will be changed as a result of the 1975 agreement.)

While it is highly doubtful that the new arrangement signals the "satellization" of Libya or that either the Kremlin or Qaddafi has had a change of

heart, it appears in retrospect that the Middle East situation of the post-1973 period suggested a rapprochement from which both sides could hope to derive substantial short-range benefits. Tripoli, politically isolated from most of the Arab world and highly vulnerable to a possible Western attempt to seize Libya's oil fields in case of another Arab-Israeli war and the inevitable embargo, is attempting to bolster its position by accepting a limited Russian military presence. The Soviets, in addition to acquiring more hard currency, are trying to establish another operational base in the southern Mediterranean and to use Qaddafi as additional leverage on Sadat.<sup>1</sup>

However, the long-range consequences of the Moscow-Tripoli rapprochement are not likely to live up to the Kremlin's apparent expectations. As long as Qaddafi remains in power, his anti-Communist attitude and his unpredictability are bound to create problems for the U.S.S.R. Even if he were removed, barring the advent to power of an openly pro-Soviet regime—an unlikely proposition—Libya's wealth and the strong Arab nationalist sentiments of her military may be counted on to preclude the establishment of Russian influence in that country.

In another attempt to reverse an unfavorable trend and to counteract the growing United States influence in the Arab world, the U.S.S.R. openly criticized United States President Gerald Ford's administration for its efforts to mediate the Arab-Israeli dispute. Soviet leaders urged that the negotiations to break the deadlock be transferred to Geneva where, as co-chairman of the conference, the U.S.S.R. would enjoy equal status with the United States. Once Kissinger's "shuttle diplomacy" was grounded in March, 1975, the Soviets stepped up their campaign for an early resumption of the Geneva conference. As far as the Kremlin was concerned, the basic prerequisite for success was the creation of a common Arab position with which to confront Israel and the United States. With this in mind, Iraq's strong man, Saddam Husein, the foreign ministers of Egypt and Syria, and Fatah leader Yasir Arafat of the Palestine Liberation Organization were invited to Moscow for exploratory talks. Simultaneously, negotiations were conducted with Israel, in Jerusalem, by two officials of the Soviet foreign ministry, and in Washington, where the Soviet and Israeli ambassadors held several

*(Continued on page 148)*

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<sup>1</sup> Egyptian-Libyan relations deteriorated sharply after Qaddafi's abortive attempts to effect a union between the two countries.

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*"Whether or not the Soviet Union is bent on acquiring a significant strategic edge over the United States . . . it is fairly clear that the U.S.S.R. is studiously attempting to develop the capability for fighting and winning a war against the United States and NATO, should deterrence ever fail, at all levels of the conflict spectrum from conventional theater warfare in Europe to full-blown intercontinental exchanges." Furthermore, according to this sobering analysis, "Soviet leaders assume that meaningful victory in nuclear war is indeed possible if the correct strategy is implemented and followed consistently."*

## The Evolving Soviet Strategic Threat

BY BENJAMIN S. LAMBETH\*

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**D**URING THE THREE years since the signing of the SALT I accords in 1972, the Soviet Union has been engaged in an intensive strategic arms improvement program. Among other innovations, this program has included:

—The development of four new ICBM's (the SS-16, SS-17, SS-18, and SS-19), each of which has demonstrated a MIRV delivery capability and one of which (the SS-16) may be intended for development in a land-mobile configuration as well.<sup>1</sup>

\* Any views expressed in this article are those of the author. They should not be interpreted as reflecting the views of The RAND Corporation or the official opinion or policy of any of its government or private research sponsors.

\*\* In Vladivostok in November, 1974, United States President Gerald Ford and Soviet Party Secretary Leonid I. Brezhnev signed a tentative agreement limiting the number of United States and Soviet offensive nuclear weapons through 1985.

<sup>1</sup> These missiles comprise the fourth generation of ICBM's developed by the Soviet Union (the first represented by the SS-6 deployed in token numbers during the early 1960's, the second embracing the SS-7 and SS-8 fielded during the latter Khrushchev years, and the third including the SS-9, SS-11, and SS-13, which achieved major deployment status during the period of intensive build-up in the late 1960's). Each shows discernible evolutionary ties to pre-existing systems. The SS-18 is a follow-on to the SS-9 and has been test-flown with as many as 8 re-entry vehicles. The SS-17 and SS-19 are generational offshoots of the SS-11 and have been tested with 4 and 6 re-entry vehicles respectively. The SS-16 is a solid propellant missile intended to replace the SS-13. Although it has not been flown with MIRV's, it has demonstrated post-boost maneuvering activities that strongly suggest eventual MIRV applications. United States intelligence currently counts 10 SS-17's, 10 SS-18's and 50 SS-19's in operationally deployed status. See Murray Marder, "Schlesinger Sees Build-up in Soviet Arms," *The Washington Post*, June 21, 1975. For publicly released details on these new ICBM's, see also John W. R. Taylor, "Gallery of Soviet Aerospace Weapons," *Air Force Magazine*, March, 1975, p. 73.

<sup>2</sup> Michael Getler, "Massive Soviet Deployment of Atom Arms Foreseen," *The Washington Post*, November 14, 1974.

—An apparent determination by the Soviet Union to build up to the limits of the 1974 Vladivostok sub-ceiling\*\* of 1320 MIRVed missile launchers by replacing its entire SS-9 force and a large portion of its SS-11 component, respectively, with the new SS-18 and a combined force of SS-17 and SS-19 ICBM's.

—The development and deployment of a new missile submarine in two variants (the DELTA class with 12 launch tubes and the DELTA-II class with an even larger number), along with a new SLBM, the SS-N-8, whose range of 4,800 miles will allow patrolling well beyond most United States antisubmarine warfare (ASW) activities.

—Series production and deployment of the new BACKFIRE B medium bomber, a variable-geometry supersonic aircraft primarily designed for peripheral targeting operations, yet one whose capabilities appear sufficient to pose an additional threat to the North American continent if one-way missions or in-flight refueling are employed.

—The development and testing of the SS-NX-13, a special-purpose SLBM of an approximately 400-mile range, apparently intended for antishipping operations, with clear threat implications for the United States aircraft carrier contingent.<sup>2</sup>

—Virgorous research, development, and testing of advanced antiballistic missile technology.

—The comprehensive upgrading of Soviet theater forces opposite NATO, including major increases in Soviet armor and motorized infantry strength, enhancement of the Soviet theater air defense posture through large-scale deployments of the SA-3 and SA-6 surface-to-air missiles, and extension of the Soviet air interdiction and ground attack capability through deployment of the new SU-19 FENCER A deep-penetration fighter-bomber, the first Soviet aircraft



believed to have been designed for this mission.<sup>3</sup>

A number of parallel qualitative advances have been aimed at bolstering the combat effectiveness and flexibility of the Soviet forces. The new ICBM's entering deployment, for example, are being installed in super-hardened silos, suggesting an increased Soviet concern for enhancing their pre-launch survivability against a United States missile attack. Concurrently, they are being equipped with improved on-board guidance packages and high-beta re-entry vehicles, providing improved accuracy capabilities with obvious hard-target counterforce implications.<sup>4</sup> In the realm of strategic communications and battle management capabilities, the Soviets have reportedly tried hard to protect their national command authorities to enable uninterrupted leadership and a sustained central direction of their strategic forces in the event of a nuclear war.<sup>5</sup> These and related activities add up to an intense and energetic force improvement program whose overall magnitude and breadth are unprecedented in the history of Soviet-American strategic interaction. Taken together, they suggest that despite SALT and the atmospherics of détente, the Soviets are fully committed to acquiring the most technically advanced and quantitatively substantial force posture that their own resources and American tolerance will permit.

How this Soviet force build-up should be interpreted, and what underlying political and strategic

<sup>3</sup> On Soviet conventional force improvements and tactics, see John Erickson, "Soviet Military Capabilities in Europe," and P. H. Vigor and C. N. Donnelly, "The Soviet Threat to Europe," *RUSI Defense Journal*, March, 1975. An excellent compendium of Soviet and Warsaw Pact tactical airpower capabilities may be found in R. Meller, "Europe's New Generation of Combat Aircraft: Part I—The Increasing Threat," *International Defense Review*, no. 2, April, 1975, pp. 175–186. Details on Soviet theater nuclear forces and strategies are presented in S. T. Cohen and W. C. Lyons, "A Comparison of U.S.-Allied and Soviet Tactical Nuclear Force Capabilities and Policies," *Orbis*, vol. 19, no. 1, Spring, 1975, pp. 72–92.

<sup>4</sup> "Beta" is an engineering term used to describe the ballistic coefficient of a re-entry vehicle. A high-beta RV is streamlined in the approximate shape of a sharpened pencil point, permitting high-speed penetration through the atmosphere, reduced susceptibility to wind shear and other atmospheric buffeting, and consequently improved delivery accuracy. Due to the intense heating generated by the high-speed re-entry, such warheads place a considerable premium on advanced materials technology. Additionally, their slender configuration requires highly refined nuclear weapons packaging techniques. For both reasons, high-beta RV's are a clear indication of high technological sophistication. For an informative discussion of technical considerations bearing on the question of RV accuracy, see Kosta Tsipis, "The Accuracy of Strategic Missiles," *Scientific American*, July, 1975.

<sup>5</sup> See Jack Anderson and Les Whitten, "Soviets Stage Mock A-Attack on U.S.," *The Washington Post*, May 1, 1975.

<sup>6</sup> The throw-weight of the SS-17, for example, is reportedly estimated to be between three and five times that of the SS-11. *Air Force Magazine*, March, 1975, p. 73.

goals it portends, are currently matters of deep concern and intense debate within the United States national security community. Some observers argue that the Soviet leadership is purposefully exploiting détente to lull the United States into a false sense of complacency and is using SALT as a convenient instrument to achieve its strategic ambitions within the framework of American acceptance. Without passing final judgment on the argument, it must be conceded that those of this persuasion have a powerful case. The SALT I Interim Agreement, it may be recalled, stipulated a five-year quantitative "freeze" on each side's then-existing ICBM force, with no constraint on qualitative improvements within that agreed limit. The precise terms of the accord granted the Soviet Union a roughly 3 to 2 numerical advantage over the United States (with approximately 1,600 Soviet ICBM launchers in place or under construction to the United States' 1,054). President Richard Nixon's administration justified this concession on the seemingly reasonable ground that the American ICBM posture included a large component of MIRVed missiles (550 MINUTEMAN III boosters with three re-entry vehicles each) and other technological advantages—like high accuracy and reliability—that its Soviet counterpart lacked. The Interim Agreement further allowed both sides to expand their respective ICBM silo volumetric dimensions by up to 15 percent to accommodate larger follow-on boosters. It placed a sub-limit of around 300 on the number of "heavy" ICBM's (generally taken by the United States to mean missiles of the SS-9 class) either side could deploy, but failed, because of Soviet unwillingness, to settle on a clear definition of what minimum weight limit that category embraced.

The intent of the agreement on the American side was obviously to trade the prevailing Soviet ICBM numerical advantage for the assumed United States qualitative advantage and, at the same time, to put a lid on any further deployment of SS-9 class ICBM's by the Soviet Union in order to preclude its eventually acquiring a substantial throw-weight ascendancy over the United States. The net effect of the agreement, however, and one that was heavily discounted in the United States at the time, was to grant the Soviet Union a great deal of headroom for future growth; it could capitalize on the 15 percent silo expansion provision to replace its SS-11 force with a new missile of considerably greater payload capacity. This fact became disturbingly clear when the Soviet Union began flight-testing its SS-17 and SS-19 ICBM's after the SALT I accord was formally on the books. Both of these missiles incorporate (even within the 15 percent limit) a throw-weight increment over the SS-11 of sufficient magnitude to make them "heavy" ICBM's for all practical purposes.<sup>6</sup> It also seems ob-



vious in retrospect that the SS-17 and SS-19 were well along in their prototype development phase before the SALT I Interim Agreement was signed. For these reasons, skeptics of Soviet intentions and critics of the Interim Agreement conclude that Moscow cynically manipulated its SALT negotiating stance in order to accommodate—and elicit formal American acceptance of—a massive ICBM force improvement program aimed at achieving a degree of strategic advantage over the United States to which Soviet leadership was already committed irrespective of SALT and without any serious interest in meaningful arms control.

Opposing this view, some analysts maintain that the Soviet leadership under Party Secretary Leonid Brezhnev is genuinely committed to détente but must maintain a dynamic weapons development effort as a quid pro quo to the Soviet military for assuring its continued cooperation and support. Other observers think that the Soviet leadership is interested in achieving some strategic advantage over the United States while simultaneously reaping the fruits of détente; they believe that the leadership is not committed to any rigid and predetermined “master plan” and is instead disposed to pursue strategic programs opportunistically in an effort to see how much the traffic will bear.<sup>7</sup> Still others argue that the Brezhnev regime has persistently labored under a burden of strategic inferiority to the United States and genuinely regards its current weapons development activity as a necessary final step toward acquiring both full-fledged strategic equality with the West and the legitimate status due the U.S.S.R. as a self-respecting superpower.

Finally, there are those who maintain that the Soviet Union, no less than the United States, is essentially a large socio-bureaucratic organism dominated by a pervasive military-industrial nexus whose research and production entities have naturally vested

interests in perpetuating their existence, whose activities perennially operate in a state of high gear, and whose weapons acquisition process reflects a self-sustaining life of its own more than any outgrowth of rational and purposeful policy choice.

As for the question of Soviet designs toward decisive strategic superiority over the United States, most observers in the moderate camp believe that Moscow's acceptance of the “equal aggregates” provision of the 1974 Vladivostok understanding (which allows each side 2,400 strategic delivery vehicles—and a sub-limit of 1,320 MIRVed missiles—with freedom to mix among ICBM's SLBM's, and bombers) cancels any significant advantage the U.S.S.R. may otherwise have accrued from the 1972 Interim Agreement and guarantees that the United States and Soviet strategic nuclear force postures, however asymmetrical in their specific components, will reflect overall “essential equivalence.”

Yet one dominant feature of the emerging Soviet strategic capability seems beyond reasonable doubt: by any conventional standard it appears vastly “over-designed” for the task of deterring an American attack on the Soviet homeland.<sup>8</sup> Whether or not the Soviet Union is bent on acquiring a significant strategic edge over the United States (and leaving aside the important question of what such an edge would confer on the Soviet Union in the way of coercive leverage against the United States), it is fairly clear that the U.S.S.R. is studiously attempting to develop the capability for fighting and winning a war against the United States and NATO, should deterrence ever fail, at all levels of the conflict spectrum from conventional theater warfare in Europe to full-blown intercontinental nuclear exchanges.

To say this is scarcely to imply that the Soviet leaders actually prefer war to peace, or to suggest that they regard nuclear deterrence as anything but the paramount objective of their national security planning. It is, however, to argue that Soviet political and military leaders regard deterrence as inherently less than foolproof, that they recognize the finite possibility that it could break down either by inadvertence or through a process of gradual crisis intensification, and that they accordingly see that they must prepare for such an eventuality, whatever the relative East-West strategic balance.

## THE DOCTRINAL IMAGE OF NUCLEAR WAR

Unlike the United States, which until recently has tended to hang the burden of its strategic planning almost exclusively on the peg of deterrence, the Soviet Union has traditionally espoused a military doctrine that explicitly admits the possibility of nuclear war and clearly sets forth a strategy of action for dealing with it. A principal premise of Soviet military

<sup>7</sup> A variation on this theme is the argument that the Soviet leadership, rather than studiously building its force posture toward some precisely defined goal with specific objectives in mind, is simply “banking” strategic power as a long-term investment against the possibility of some future contingency whose dimensions and character cannot now be foreseen. For an excellent presentation of this thesis, see Herbert Goldhamer, *The Soviet Union in a Period of Strategic Parity* (The RAND Corporation, R-889-PR, November, 1971).

<sup>8</sup> The current Defense Department posture statement has expressed this point succinctly: “The Soviet Union . . . now deploys a strategic nuclear capability far beyond anything required by the theories of minimum deterrence. Her peripheral attack forces are such as to be able to take under attack every significant target in Western Europe. Her central strategic systems are sufficiently large in number so that she could strike at a substantial number of military targets in the United States, and elsewhere in the world, and still withhold a very large force whose future use we would have to consider in responding.” Secretary of Defense James R. Schlesinger, *Annual Defense Department Report*, FY 1976, February 5, 1975, p. II-2.

thought, expressed with almost ritual incantation in Soviet strategic writings throughout the past decade, is the neo-Clausewitzian conviction that war—even global thermonuclear war—is a supremely political act that must be purposefully orchestrated (a) to assure the continued survival of the Soviet state and (b) to preserve Soviet power and interests to the maximum extent feasible.<sup>9</sup> Soviet leaders assume that meaningful victory in nuclear war is indeed possible if the correct strategy is implemented and followed consistently.<sup>10</sup> And that strategy, in the Soviet view, calls for timely pre-emption, seizure and maintenance of the initiative, and sustained offensive operations at high levels of intensity until the enemy's strategic capability is destroyed or his will to continue fighting is broken.<sup>11</sup>

This Soviet strategic perspective applies in equal measure both to theater conflict against NATO forces in Central Europe and to the ultimate contingency of intercontinental nuclear warfare against the United States. In the case of a European theater conflict, Soviet leaders would doubtless prefer that the fighting remain conventional, and both Soviet doctrine and Soviet theater forces are configured for the eventuality of a war in the NATO Center Region employing only non-nuclear weapons. This disposition to countenance restraint in war, however, is strictly limited to situations where the Soviet side is clearly on the offensive and is in no immediate danger of losing the conventional land battle. Once the nuclear threshold is confronted, Soviet military doctrine unambiguously rejects any possibility of limitation and

insists on the absolute necessity of massive pre-emptive nuclear strikes against the entire war-waging machinery of the adversary.<sup>12</sup> In theater warfare, it calls for concentrated air and missile strikes throughout the NATO arena aimed at quickly excising the United States and NATO nuclear attack capability, accompanied by a fast-moving combined-arms assault on the ground directed toward defeating NATO's armed forces, occupying critical portions of its territory, and enforcing its local defeat.

This principle of pre-emption and initiative applies with even greater urgency to the contingency of global war against the United States. Soviet military writings during the past decade assert that if an American attack against the Soviet homeland appeared imminent, Soviet strategic forces would strike quickly with uncompromising massiveness so as to "break up" and "frustrate" the operation before it could be successfully launched. At this level of violence, moreover, Soviet military doctrine shows no interest whatever in any notion of limitation. The United States has long contemplated various restrained targeting schemes as instruments of escalation control and intra-crisis bargaining and is currently engaged intensively in the development of capabilities for selective nuclear operations in the event of a Soviet attack short of the spasm-war level. But the Soviet Union rejects such ideas out of hand. Both the logic of Soviet military doctrine and the record of past Soviet crisis behavior suggest that Moscow's attitude toward nuclear war follows the axiom that one does not hit a king in the face unless one is resolutely determined to kill him. In practical terms, this implies that in any nuclear crisis Soviet leaders would be initially inclined toward a policy of conservatism, assiduously avoiding nuclear "experimentation" with demonstration attacks and other resolve-testing ploys that Soviet military leaders tend to regard as more appropriate to poker than to the serious business of war. It also implies, however, that they would move unhesitatingly to full-scale counter-military operations against the United States—with no intervening half-measures against selected sub-sets of the American target array—once they became convinced that a major strategic war was inevitable. Such operations, were the Soviets to adhere to the letter of their military doctrine, would probably feature initially a massed and coordinated missile attack against all United States ICBM sites, alert bomber bases, and early warning facilities, closely followed by selective strikes against the American political-military command infrastructure and other war-supporting capabilities such as SLBM ports, airlift departure points, and satellite surveillance systems.

Soviet military doctrine does not call for the indiscriminate annihilation of the American population, and the Soviets would probably be unlikely to

<sup>9</sup> Typical of this Soviet view is the assertion of Colonel I. Sidelnikov that while East-West détente is indisputably a welcome and progressive force working in the interests of peace and international stability, "it would be a mistake to believe that the danger of war has been completely and definitively removed or that the threat of military clashes has been buried forever." "Peaceful Coexistence and National Security," *Krasnaia zvezda*, August 17, 1973. See also Colonel Ye. Rybkin's injunction that "since the possibility of the outbreak of a new war has not been eliminated, there is still a need to study and clarify all of its problems." "The Leninist Concept of War and the Present," *Kommunist vooruzhenykh sil*, no. 20, October, 1973, p. 21.

<sup>10</sup> With a tone of confidence rarely expressed in Western strategic pronouncements, Soviet Defense Minister Grechko has coldly asserted that in the event of a new world war, "we are firmly convinced that victory in this war would go to us." Report at the Fifth All-Army Conference of Party Organization Secretaries, *Krasnaia zvezda*, March 28, 1973.

<sup>11</sup> A detailed presentation of publicly enunciated Soviet perspectives on the nature of a future nuclear war and the strategy to be followed in it may be found in Leon Goure, Foy D. Kohler, and Mose L. Harvey, *The Role of Nuclear Forces in Current Soviet Strategy* (University of Miami: Center for Advanced International Studies, 1974).

<sup>12</sup> For a revealing Soviet account of theater-warfare planning imperatives and operational strategies that sets forth in explicit detail this pre-emptive concept and the considerations that underlie it, see Colonel A. A. Sidorenko, *The Offensive*, translated by the U.S. Air Force (Washington, D.C.: U.S. Government Printing Office, 1974).

carry out—at least initially—widespread strikes against United States cities merely for the sake of inflicting wanton destruction. On the other hand, the targeting objectives asserted or implied in Soviet doctrinal pronouncements would involve high civilian casualties, and Soviet military writings seem devoid of compunctions about imposing any level of collateral damage on American society that may be necessary to achieve their military goals.

On the critical matter of how a nuclear war would be terminated, Soviet strategic writings have little to say. Occasionally it has been suggested by Soviet writers that the wrenching dislocations levied by a pre-emptive nuclear attack would so destroy the United States' capacity for organized strategic action that the war could be settled on terms favorable to the Soviet Union without the presence of Soviet forces on American soil. This "theory" of victory, such as it is, doubtless reflects a measure of whistling in the dark on the part of the Soviet military and suggests a Soviet concession that a successful invasion of a transoceanic enemy like the United States is practically impossible. Nonetheless, it may also indicate a degree of genuine belief that, if a Soviet pre-emptive attack left the United States prostrate and the Soviet Union undamaged and in possession of a large residual strategic force, the United States might choose a diplomatic settlement rather than launch a spasm response with its surviving ICBM's and SLBM's that would only assure even greater destruction in reprisal.

This doctrine, to be sure, is largely the creation of professional Soviet military men, and we have no way of knowing to what extent it is shared by the Soviet political leaders who would bear the responsibility for making the critical decisions in a nuclear crisis. Like all doctrinal constructs, it is highly abstract and stylized in nature and represents more a general expression of the prevailing Soviet military mind-set than a hard prediction of how the Soviets would actually behave in nuclear war. Soviet military doctrine imposes no obligation on the Soviet leadership to follow its edicts. Moreover, in view of the history of Soviet circumspection, in any situation in which Soviet doctrine was actually about to face its ultimate test, the Soviet leaders might have few qualms about discarding doctrine in favor of improvisation if the doctrine appeared to be irrelevant.

At the same time, however, the Soviet doctrinal image of nuclear war shows a growing degree of congruence with the emerging Soviet nuclear force

posture and must, therefore, be taken seriously by United States strategic planners. During the 1960's, when the Soviet Union was still markedly inferior to the United States in the numbers and quality of its strategic weapons, Soviet military doctrine appeared to be more a reflection of Soviet strategic desires than a persuasive representation of actual Soviet force-application concepts. Yet with the ongoing Soviet deployment of the new generation of MIRVed ICBM's, and with the collateral bolstering of the Soviet theater-war capability opposite NATO, the Soviet force posture gives real "teeth" to Soviet doctrine and, in the process, imparts a measure of credibility it formerly lacked.

### **NUCLEAR OFFENSIVE CAPABILITIES**

In the important realm of ICBM strength, the Soviet Union is now within reaching distance of acquiring both a credible first-strike disarming capability against the United States MINUTEMAN force and a reserve second-strike capability that could be withheld for intrawar deterrence and coercion. If the Soviet Union MIRV's its ICBM arsenal up to the full limit allowed by the Vladivostok understanding, it will acquire an active warhead inventory of as many as 7,800 armed re-entry vehicles (RV's). This impending surfeit of Soviet RV strength portends a Soviet hard-target attack capability of potentially great lethality against the 1,054 aim points which comprise the United States ICBM launcher contingent. With their currently rather poor accuracies, these Soviet systems probably do not yet possess the capability of credibly destroying the American ICBM force, unless cross-targeting tactics and multiple-RV laydowns on each aim point are employed (an attack mode which faces great operational difficulties of timing and coordination and also is constrained by the peculiar feature of nuclear weapons phenomenology known as "fratricide").<sup>13</sup> By the late 1970's or early 1980's, however, the Soviets are expected to achieve sufficient RV accuracies to allow them to circumvent these problems and achieve high single-shot kill probabilities against United States ICBM silos, even after those silos are upgraded to super-hardened status. Indeed, United States Defense Secretary James Schlesinger has expressed concern that with expected Soviet improvements in accuracy,

*(Continued on page 152)*

<sup>13</sup> "Fratricide" is a hypothesized consequence of two nuclear weapons arriving closely adjacent to one another in space and time, in which the blast wave, electromagnetic pulse, and surface ejecta produced by the weapon initially detonated effectively disable the second incoming warhead before it can be triggered.

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"... the immediate future seems to offer 'more of the same' in Soviet-East European relations, with the Soviets, if anything, in a stronger bargaining position vis-à-vis their allies as a result of their economic strength."

## Soviet Policy in East Europe

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IN THE WAKE of the Hungarian Revolution and the Polish October of 1956, the Soviet Union, under the leadership of Premier Nikita Khrushchev, attempted to replace the empire that Stalin had created in East Europe with a new "Socialist Commonwealth."\* While Stalin's empire had been based largely on Soviet military domination and direct political-economic control, the new commonwealth was to be built on mutual cooperation and benefit. As an integral part of this new Soviet policy, the U.S.S.R. rejuvenated the largely dormant Council for Mutual Economic Assistance (CMEA or COMECON) in the late 1950's and began pushing for a program of intra-bloc cooperation based on economic coordination and product specialization. According to the original plans, for example, Romania was to specialize in petroleum production and refining and agriculture and the Democratic Republic of Germany (GDR) was to emphasize modern industrial output.<sup>1</sup> These early proposals foundered both on practical issues and on some outright opposition. The Romanians rejected the proposals because they saw a freezing of the status quo and their own relegation to act as permanent producers of agricultural output and raw materials for the more industrialized members of the Council for Mutual Economic Assistance, the economic alliance of the Communist bloc countries.

By the time of the Czechoslovak Spring in 1968, it had become clear that the pursuit of a socialist commonwealth faced several limitations. With the

reduction of the direct Soviet role in East European affairs and the Soviet recognition of different paths to socialism, some East European countries had departed significantly from the Soviet model—both in foreign policy, as in the case of Romania, and in domestic politics, as in Czechoslovakia. Moreover, as most Western observers emphasized, the policy of economic coordination had made little headway during the 1960's. The majority of East European leaders seemed preoccupied with domestic economic problems, to the virtual exclusion of interest in expanding intrabloc cooperation. The varied domestic conceptions of economic reform that emerged in the 1960's actually made it more difficult to coordinate planning and production across national boundaries. In addition, West Germany's new *Ostpolitik*, initiated in 1966, drew the attention of some East European leaders westward. Expansion of trade with the West and acquisition of up-to-date technology appeared more interesting than economic cooperation within the CMEA.

The Soviets' reaction to Czechoslovakia and their ensuing efforts to reconsolidate their position in East Europe, including intensified emphasis on the CMEA after 1970, revitalized the pursuit of economic cooperation. In 1968, the suppression of Czechoslovak political liberalization played an important role in clarifying the "ground rules" of Soviet-East European relations. The Soviets demonstrated explicitly that they were to be the final arbiters of political and economic reform and of expanded East-West contacts. No potential threat to their interests could be ignored.

Soviet interests have changed little over the last 25 years. Of primary concern is the military security of the U.S.S.R. itself, which, in Soviet eyes, can be protected only by strict military control of East Europe (through the Warsaw Treaty Organization and through the presence of Soviet troops). In this connection, the U.S.S.R. has long sought formal recognition by the West of post-World War II

\* The authors wish to express their appreciation for financial support from the Graduate College of the University of Illinois at Urbana-Champaign for a larger project on East European integration.

<sup>1</sup> Two excellent studies of early CMEA efforts toward cooperation can be found in Michael Kaser, *COMECON: Integration Problems of the Planned Economies*, 2d ed. (London: Oxford University Press, 1967); and Rolf C. Ribi, *Das COMECON: Eine Untersuchung über die Problematik der wirtschaftlichen Integration sozialistischer Länder* (Zürich and St. Gallen: Polygraphischer Verlag, 1970).



political developments and a guarantee of the territorial status quo in East-Central Europe. A second major interest involves preserving Soviet claims to the vanguard position in the socialist community. Any significant political change, as in Czechoslovakia, poses a challenge to that leadership role.

While Soviet interests have remained fairly constant, the ground rules of Soviet-East European relations have been modified by efforts to preempt another crisis on the order of Czechoslovakia and by the development of East-West détente. Efforts to prevent a new domestic crisis have taken the form of renewed stress on the economic interdependence of the East European socialist states. Presumably, the extension of coordination and specialization will reduce the likelihood of deviations from the socialist path and hence the need for direct Soviet intervention. Intra-bloc coordination also offers a means of stimulating economic efficiency. Soviet and East European authors see a number of benefits to be derived from the "international socialist division of labor": joint production agreements, product specialization, and the coordination of plans promise to create economies of scale, to reduce duplication of output, and to encourage more efficient use of scarce resources.<sup>2</sup>

<sup>2</sup> For example, the advantages of cooperation and specialization are discussed in Antal Apro, *Mezhdunarodnye organizatsii stran-chlenov SEV* (translated from Hungarian) (M., Ekonomika, 1972); and in V. N. Sergeev, *Problemy ekonomicheskogo sblizheniia stran sotsializma* (M., Nauka, 1969), esp. pp. 54-63.

<sup>3</sup> See O. Bogomolov, "Aktual'nye problemy ekonomicheskogo sotrudnichestva sotsialisticheskikh stran," *Mirovaia ekonomika i mezhdunarodnaia otnosheniia*, no. 5 (1966), pp. 15-27; I. Dudinskii, "Toplivno-syr'evaia problema stran SEV i puti eiio resheniia," *Voprosy ekonomiki*, no. 4 (1966), pp. 84-93; and *Resursy i mezhdunarodnoe sotrudnichestvo* (M., Mezhdunarodnye otnosheniia, 1968).

<sup>4</sup> Non-Soviet estimates corroborate these trends, as indicated in Edward Hewett, *Foreign Trade Prices in the Council for Mutual Economic Assistance* (Cambridge: Cambridge University Press, 1974), esp. ch. 3; Paul Marer, *Postwar Pricing and Price Patterns in Socialist Foreign Trade* (Bloomington: Indiana University, International Development Center, 1972); and Sándor Ausch, *Theory and Practice of CMEA Cooperation* (Budapest: Akadémiai Kiadó, 1972), pp. 84ff.

<sup>5</sup> Domestic costs of exploiting Soviet reserves reflected not only a relatively high capital-output ratio, but also fairly high costs for developing an infrastructure in remote areas of the east and for transporting products to the western border. See Dudinskii, *op. cit.*

<sup>6</sup> For example, at the end of 1974, the Soviets still sold oil to their East European partners at 16 rubles per ton, or \$22.70 at the official exchange rate, while world market prices were approximately \$110 per ton. For 1975, the price of Soviet oil rose to 37 rubles per ton. See Harry Trend, Radio Free Europe Research, "Pieces of Intra-COMECON Price Puzzle Falling into Place," *RAD Background Report/34 Eastern Europe* (February 28, 1975).

<sup>7</sup> The impact on East Europe is discussed in Harry Trend, "Effects of World Price Changes on East European Economies," Radio Free Europe Research, *Eastern Europe*, no. 5, (June 28, 1974) and "COMECON's Year(s) of the Raw Material Supplier," Radio Free Europe Research, *RAD Background Report/29 Eastern Europe* (February 24, 1975).

The supply of scarce resources has been an increasingly important concern of the Soviets in the last 10 years. Growing East European demand for raw materials has been met by Soviet exports—East Europe depends almost exclusively on the U.S.S.R. for imports of such products as crude oil, gas, minerals and ores, and raw cotton. The Soviets, in turn, have been the major purchasers of East European industrial output. Since the mid-1960's, Soviet authors have outlined several problems regarding the output of raw materials and the terms of trade within the CMEA.<sup>3</sup> First, intra-CMEA prices were based, at times loosely, on those in the world market. Since the late 1950's, the world market prices of industrial goods had been higher than those for raw materials; as a result, the terms of trade favored the East European states, affording them a virtual subsidy for the bulk of their imports from the U.S.S.R.<sup>4</sup> Second, it was increasingly unprofitable to provide fuels and minerals to meet expanding East European needs, a situation made more difficult by the domestic costs to the U.S.S.R. of developing its reserves (most of which are in Siberia)<sup>5</sup> and the relatively low quality of the finished goods from its CMEA partners.

To defray their costs, the Soviets called for East European investment in the capital-intensive extraction of fuels and minerals and for more efficient use of resources. (As yet, however, the volume of joint investment is small; several agreements have been signed, but their implementation is limited by a combination of methodological, technical and juridical problems.) More recently, changes in the world market prices of raw materials have provided the impetus to renegotiate intra-CMEA prices.<sup>6</sup> The result has been a substantial increase in the prices of Soviet fuels and minerals and a more modest increase in the prices of industrial goods, which should serve to redress the terms of trade within the CMEA.

Although joint investments and price adjustments provide solutions on the Soviet side, they pose clear problems for the East Europeans. Because world market prices of some raw materials are comparable to, or even higher than, those within the CMEA (especially for petroleum), and because the East Europeans lack the convertible currency needed to purchase on the world market, they have little alternative to paying the higher Soviet prices and investing in Soviet extractive industries. They are faced with a diversion of capital that could well be used at home, and with inflationary pressures generated by increased resource costs.<sup>7</sup>

These developments in cooperation and trade serve to enhance Soviet economic primacy and, with it, Soviet opportunities for exerting political influence within the CMEA. The influence of the U.S.S.R. is already evident in the general outlines of future CMEA cooperation envisioned in the 1971 Complex

Program. The proposals incorporate Soviet emphasis on product specialization through bi- and multi-lateral agreements, excluding alternative proposals by Hungarian and some Polish economists for the development of a convertible currency and for integration based on the gradual creation of market relations among member countries.<sup>8</sup>

More recent developments afford additional leverage, as the U.S.S.R. has acted to cushion the effects of price changes on East Europe by extending credits to cover increased costs, particularly to Hungary. One might wonder, for example, about Soviet influence on Hungarian decisions over the past two years to curtail the development of the New Economic Mechanism, which had attracted increasing Soviet criticism. However, Soviet credits also demonstrate the extent of interdependence within the CMEA. There can be little Soviet gain (economic or political) in the long run from an economic slowdown in East Europe, and this suggests limits on Soviet efforts to increase export prices and demands for funds to support investment.

Rapprochement between East and West has also had an impact, albeit a mixed one, on Soviet relations with East Europe. The Soviet response (supported by the GDR and Poland) to the initial West German *Ostpolitik* in 1966 was negative. Apparently, the U.S.S.R. saw a threat of "revanchism" in German overtures and quickly moved to stifle the expansion of West German political and economic contacts with the CMEA countries. Indeed, the expansion of ties between Prague and West Germany seemed to be a major impetus to the Soviet invasion of Czechoslovakia in 1968.

West German efforts were resumed after the Czechoslovakian crisis, modified to recognize Soviet primacy in East Europe and the Soviet desire to mediate contacts between East and West; other Western nations have followed suit. Contacts have focused largely on increased trade and on recognition by the West of the political and territorial status quo in Europe. Economic ties have consistently expanded over the last five years, and trade with European Economy Community (EEC) nations accounts for a small but growing share of total CMEA trade. Much of the expansion has been based on Soviet and East European imports of Western industrial goods, because of CMEA efforts to narrow the technological gap that divides most East European economies from those of the West.

<sup>8</sup> A good treatment of the debates on this issue appears in Henry W. Schaefer, *COMECON and the Politics of Integration* (New York: Praeger Special Studies, 1972). For a clear statement of Hungarian arguments supporting convertible currency and market relations see Auch, *op. cit.*

<sup>9</sup> See Phillip Bryson and Erich Klinkmüller, "East European Integration: Constraints and Prospects," *Survey*, vol. 11, no. 1/2 (1975), especially pp. 114-15.

At the same time that increased East-West trade is providing a channel for East European acquisition of Western technology, it also presents problems for further intra-CMEA cooperation. In theory, according to the East Europeans, the two processes should be complementary, as increased coordination and specialization within the CMEA will enable socialist countries to compete with the West. But recent evidence suggests competition *within* the CMEA for access to Western markets<sup>9</sup> and indicates that East-West trade has been growing more rapidly than either intra-CMEA trade or intrabloc specialization. The CMEA states are faced with the continuing dilemma of striking a balance between economic contacts with the industrial West and the demands of regional economic integration and self-sufficiency.

This seems especially difficult for the U.S.S.R. Soviet reserves of raw materials could find ready markets in the West, and thereby pay for imports of industrial goods and technology superior in quality to those from East Europe. The Soviet commitment to and interest in East Europe thus bears a relatively high opportunity cost, which is only partially offset by recent increases in the prices of Soviet exports. Most other members of the CMEA are in a less favorable economic position with regard to the West, as East European exports (mainly industrial goods) often lack the quality to compete in Western markets.

In the political realm, the recent Conference on Security and Cooperation in Europe (CSCE) at Helsinki represents the culmination of years of Soviet and East European efforts to gain formal recognition of the post-World War II situation in Europe. Yet for all the fanfare that surrounded the conference and the preparatory meetings in Geneva, little new has been accomplished. The Berlin Agreements of 1971 and West German treaties with the U.S.S.R., Poland, Czechoslovakia, and East Germany had essentially guaranteed the present borders in Europe. Moreover, the new deliberations have had little effect on the process of trade expansion, and the Communist states have remained adamantly opposed to Western requests for free access of people and ideas across ideological boundaries. The primary result of the conference has been to institutionalize the increase of contacts without, however, eliminating the basic sources of East-West friction—the political-ideological

(Continued on page 154)

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"Soviet leaders face a formidable challenge . . . in their attempt to maintain rapid rates of economic growth."

# The Soviet Economy: Problems and Prospects in the 1970's

BY ROBERT C. STUART

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**B**ECAUSE THE SOVIET UNION is a major world power, its economic performance is of great interest to the West. For the economist, the Soviet Union is the major example of centrally planned economic development under socialist ideology and, possibly most important, a planned economy approaching a mature level of economic development.

In varying degrees, planning is an alternative to the market in organizing the production and distribution of goods and services. The Soviet experience, especially beyond the early years of rapid development, may provide important insights into common economic problems as they are solved under differing arrangements.

It is not surprising, therefore, that in the late 1950's and the early 1960's, spurred by Soviet achievements in space and the lagging pace of economic growth at home, there was great interest in the United

States in the rapid pace of Soviet economic growth.<sup>1</sup>

In the late 1960's, with a declining Western interest in economic growth per se, a slowing of Soviet economic growth, and the onset of vigorous concern for the environment, interest once again focused on Soviet economic performance in a different perspective—could resource conservation be practiced more effectively under centrally planned socialism?<sup>2</sup>

In the 1970's, the focus of attention has shifted to the international sphere with emphasis upon trade, not only of goods and services, but also of technology, notably the more general implications of expanded East-West trade for the solution of world food and energy problems.<sup>3</sup>

Does the Soviet economy really need Western technology in view of its impressive growth record? What role can be expected of the Soviet Union in the resolution of world food and energy problems? Can the Soviet experience with planning tell us anything about controlling inflation and unemployment in a mature economy? The answers to these questions are clearly beyond the present essay. Nevertheless, in looking for solutions, comparative analysis of different systems can enlighten us as to the available alternatives. Such analysis must, however, begin with an understanding of where the Soviet economy has been in the past, and where it is likely to go in the future.

## THE INDUSTRIAL SECTOR

Soviet economic performance, that is, the rate of growth of the aggregate (and especially industrial) output of the economy, has been impressive by international standards.<sup>4</sup> In addition to this generally rapid pace of economic growth, one might note other important features of Soviet economic development.

First, the level of investment in the economy, that is, the share of output returned to productive usage in the economy rather than being consumed directly, has been and remains high.<sup>5</sup> Further, this high volume of investment has been channeled selectively into the industrial and especially the heavy industrial

<sup>1</sup> The measurement and analysis of Soviet growth in the United States stems from the pioneering work of Abram Bergson of Harvard University. See his *The Real National Income of Soviet Russia Since 1928* (Cambridge: Harvard University Press, 1961), and subsequent works on this subject.

<sup>2</sup> See for example Marshall I. Goldman, *The Spoils of Progress: Environmental Pollution in the Soviet Union* (Cambridge: The M.I.T. Press, 1972); Philip R. Pryde, *Conservation in the Soviet Union* (Cambridge: Cambridge University Press, 1972).

<sup>3</sup> For a survey of various aspects of the Soviet economy in the 1970's, see United States Congress, Joint Economic Committee, *Soviet Economic Prospects for the Seventies* (Washington, D.C.: U.S. Government Printing Office, 1973).

<sup>4</sup> The measurement of Soviet economic growth and the comparison of Soviet growth with that of other countries are matters of substantial complexity. Indeed, in comparing the Soviet with other economic systems, one might want to consider a number of performance indicators, even though the Soviets have themselves placed great emphasis upon the importance of rapid economic growth per se. For elaboration of these matters, see Paul R. Gregory and Robert C. Stuart, *Soviet Economic Structure and Performance* (New York: Harper and Row, 1974), chapter 11.

<sup>5</sup> The share of output returned to the economy as investment in the Soviet Union is approximately twice that of the United States. See Paul R. Gregory and Robert C. Stuart, *op. cit.*, p. 404.

**TABLE 1: The Soviet Economy: Selected Indicators**  
(average annual rates of growth in percents)

| Indicator                                     | 1951-1960 | 1960-1970 | 1970-1973 | 1974 | 1975 plan |
|-----------------------------------------------|-----------|-----------|-----------|------|-----------|
| National Income Produced<br>(Soviet official) | 10.3%     | 7.2%      | 6.9%      | n.a. | n.a.      |
| Real Income per capita<br>(Soviet official)   | 6.5       | 4.9       | 4.8       | 4.2  | 5.0       |
| Industrial Production<br>(Soviet official)    | 11.8      | 8.6       | 7.5       | 8.0  | 6.7       |
| Agricultural Production<br>(Soviet official)  | 5.1       | 3.4       | 5.8       | -3.7 | n.a.      |
| Capital Investment<br>(Soviet official)       | 12.7      | 7.0       | 7.6       | 7.0  | 8.0       |
| Fixed Capital Stock<br>(Soviet official)      | 8.3*      | 8.3**     | 8.5***    | 7.7  | n.a.      |
| Labor Force<br>(Soviet official)              | 4.4       | 4.1       | 2.6       | 2.2  | n.a.      |
| Employment<br>(Western estimate)              | 1.4       | 2.1       | 1.2       | 1.4  | 1.4       |

Sources: Employment data from Murray Feshbach and Stephen Rapawy, "Labor Constraints in the Five-Year Plan," in U.S. Congress, Joint Economic Committee, *Soviet Economic Prospects for the Seventies*, pp. 520-521; Capital Stock data from Keith Bush, "Soviet Economic Growth: Past, Present and Projected," *Radio Liberty Research Paper* RL 40/74, February, 1974, p. 1; and Abram Bergson, "Soviet Economic Perspectives Again," *Radio Liberty Research Paper* RS 224/75, May, 1975, p. 5. All other series are derived from *Narodnoe Khoziaistvo SSSR v 1973 gody* (Moskva: Statistika, 1974), p. 56 and *Ekonomicheskaya gazeta*, vol. 1 (1975), p. 1.

\* 1951-1958

\*\* 1959-1967

\*\*\* 1971-1973

sector, facilitating rapid economic growth.

Second, this pattern of investment under centralized economic planning (introduced in 1928) has resulted in sharp and rapid structural change in the economy. Thus, the relative importance of the industrial sector (measured, for example by its share in total Soviet output) has increased dramatically, while the importance of the agricultural sector has declined.

There is nothing particularly unusual in this pattern of structural change. Indeed, it is rather typical of the early stages of industrialization although the Soviet plan mechanism affects the degree and tempo of the change. However, Soviet economic growth has been primarily extensive in character, that is, it is achieved by mobilizing increases in the volume of inputs rather than by better utilization of available inputs through a growth in productivity. As economic development proceeds, the improvement of productivity, the transformation of the economy to a more intensive growth pattern, is essential.<sup>6</sup> This transformation is the key to future Soviet economic growth.

An examination of the recent Soviet economic rec-

ord (a summary is presented in Table 1) indicates that the average annual rate of growth of both national income produced and real national income per capita, while significant, has slowed rather steadily into the 1970's. It is noteworthy that the average annual rates of growth of capital investment and of capital stock have generally been higher than that of national income and have slowed less in recent years. The growth of the labor force has been limited. In addition, an already high participation ratio has limited the growth of employment.

Recent Soviet growth performance reflects a growing capital/output ratio, an unacceptable long-term posture unless Soviet leaders are willing to accept a continuing increase in the share of national income invested or a decline in the rate of growth of output of the economy. This prognosis, outlined in a recent study of Soviet economic performance by Abram Bergson, will be the focus of attention in the immediate future.<sup>7</sup> The Soviet economy is moving out of the era of rapid industrialization and into the era of economic maturity.

There is, of course, an escape route to higher rates of growth of output without continued expansion in the share of national income invested. This route is through increases in factor productivity, that is, the growth of output per unit of (combined) inputs, namely land, labor, and capital.

Broadly speaking, technological change, either improved production methods (developed at home or borrowed abroad) or improvement within a general

<sup>6</sup> For an expanded discussion of this question, see Abram Bergson, *Planning and Productivity Under Soviet Socialism* (New York: Columbia University Press, 1968).

<sup>7</sup> For a summary, see Abram Bergson, "Soviet Economic Perspectives: Toward a New Growth Model," *Problems of Communism*, March-April, 1973, and a recent update in Abram Bergson, "Soviet Economic Perspectives Again," *Radio Liberty Research Paper* RS 224/75, May, 1975.



framework of organizational change, is the key factor in the achievement of productivity gains. Unfortunately, the impact of technological change is difficult to measure, especially when it is borrowed from abroad. The role of Western technology in Soviet economic development is less than clear, though the evidence seems to suggest that technological progress in the Soviet Union has not been rapid in recent years, in part causing the decline in the rate of growth of output.<sup>8</sup>

An evaluation of Soviet economic performance in the 1970's will require a longer perspective. Technological change, though, must include more than a few eye-catching deals with Western firms. More fundamental change is necessary, indeed it is necessary to have an economic mechanism that is capable of recognizing the need for change and generating and diffusing this change throughout the system on a continuing basis.

### THE AGRICULTURAL SECTOR

To assess Soviet economic performance, one must include the agricultural sector, since it accounts for roughly 20 percent of aggregate Soviet output and utilizes one-third of the labor force. However, relatively unfavorable natural conditions plus a long period of neglect of the agricultural sector (and the war years) after the trauma of collectivization have resulted in generally inadequate and unstable agricultural performance.

<sup>8</sup> For a brief survey, see Raymond Hutchings, "Soviet Technological Policy," in United States Congress, Joint Economic Committee, *Soviet Economic Prospects for The Seventies*, pp. 71-86; for discussion of the earlier years, see Antony C. Sutton, *Western Technology and Soviet Economic Development*, 3 vols. (Stanford: Stanford University Press).

<sup>9</sup> Since major change did take place in the agricultural sector during the 1950's, it is not quite fair to say that change was in rhetoric only. However, the major distinction between the Khrushchev and post-Khrushchev years is the apparent willingness of the state in the latter period to commit substantial resources to rural development, while the earlier years were characterized largely by organizational change.

<sup>10</sup> For an in-depth discussion of these years, see Paul R. Gregory and Robert C. Stuart, *op. cit.*, chapter 7.

<sup>11</sup> For a discussion of this pattern, see Robert C. Stuart, "The Changing Role of the Collective Farm in Soviet Agriculture," *Canadian Slavonic Papers*, vol. 2 (1974), pp. 145-159.

<sup>12</sup> For an analysis of the Moscow region, see Francis M. Leversedge and Robert C. Stuart, "Soviet Agricultural Restructure and Urban Markets," *Canadian Geographer*, vol. 19, no. 1 (1975), pp. 73-93.

<sup>13</sup> *Strana Sovetov Za 50 Let* (Moskva: Statistika, 1967), pp. 116-117; *Narodnoe Khoziaistvo SSSR v 1973 gody* (Moskva: Statistika, 1974), p. 457.

<sup>14</sup> *Ibid.*

<sup>15</sup> For a study of recent changes in incomes of the Soviet rural sector, see David W. Bronson and Constance B. Krueger, "The Revolution in Soviet Farm Household Income, 1953-1967," in James R. Miller (ed.), *The Soviet Rural Community* (Urbana: University of Illinois Press, 1971), pp. 214-258.

The neglect of the agricultural sector was changed in rhetoric during the era of Premier Nikita Khrushchev (the 1950's and early 1960's), but the attitude toward agriculture seems to have been changed in substance during the regime of Party Secretary Leonid Brezhnev (1964-1975).<sup>9</sup> Both periods require some analysis.

During the Khrushchev years, the Soviet agricultural sector underwent substantial change.<sup>10</sup> The impact, however, was largely in the direction of continued extensive development, that is, expansion of the volume of inputs rather than a better utilization of inputs. For example, the area sown to crops was expanded by the virgin lands campaign and the plough-up campaign. The rapid introduction of corn was emphasized to resolve long standing fodder problems, while campaigns were mounted to encourage rural workers to overtake the United States in the per capita output of selected priority products, especially meat and milk.

In addition to these campaigns, associated with Khrushchev as a rather flamboyant spokesman for the rural economy, fundamental organizational and economic changes were implemented.

First, over a long period of time, the role of the collective farms (*kolkhoz*) has declined, while that of the state farms (*soukhoz*) has increased.<sup>11</sup> The latter have been widely used in special programs, for example, the virgin lands and the urban specialization program—the creation of nets of specialized farms around Soviet cities and industrial centers to serve urban dwellers.<sup>12</sup> *Kolkhozy* have been amalgamated from approximately 237,000 in 1940 to just over 31,000 in 1974, representing an increase in sown area per *kolkhoz* from 500 hectares (1 hectare = 2.47 acres) in 1940 to 3,200 hectares per farm in 1973.<sup>13</sup> A comparable change has occurred in the *soukhoz* sector. In 1940, there were 4,200 *soukhozy* with average sown area per *soukhoz* of 2,800 hectares; by 1973, there were 17,300 *soukhozy* with just over 6,000 hectares of sown area per farm, and this latter figure included a decline during the 1960's.<sup>14</sup>

This sort of change, along with the conversion of some *kolkhozy* to *soukhozy*, was conducted largely in search of the perceived advantages of the state farm and, especially, large-scale production. There were also important organizational changes in the *kolkhozy*, changes in structure and operation, an emphasis on improved management, better planning and control, transfer of machinery and equipment to the farms with the abolition of the Machine Tractor Stations (1958), and, possibly most important, substantial improvement in material incentives.<sup>15</sup>

There are, however, limits to the expansion of inputs to Soviet agriculture, especially land, as the margin of usable agricultural land is reached, and labor, the latter continuing to leave for more attrac-

**TABLE 2: Soviet Agricultural Production: Selected Indicators**  
(millions of tons)

| PRODUCT                         | Average Annual<br>Output: 1961-65 | Average Annual<br>Output: 1971-73 | Output<br>1974 | Planned<br>Output: 1975 |
|---------------------------------|-----------------------------------|-----------------------------------|----------------|-------------------------|
| Grain                           | 130.3                             | 190.6                             | 195.6          | 215.7                   |
| Potatoes                        | 81.6                              | 93.1                              | 80.7           | 106.0*                  |
| Vegetables                      | 16.9                              | 22.2                              | 23.1           | 24.7*                   |
| Cotton                          | 4.99                              | 7.35                              | 8.41           | 7.20                    |
| Sugar Beets<br>(for processing) | 59.2                              | 78.6                              | 76.4           | 87.3                    |
| Meat (slaughter Wt)             | 9.3                               | 13.5                              | 14.5           | 16.0                    |
| Milk                            | 64.7                              | 84.9                              | 91.8           | 100.0                   |
| Eggs (billions)                 | 28.7                              | 48.1                              | 55.0           | 52.0                    |
| Wool (thousands of tons)        | 362.0                             | 427.0                             | 461.0          | 500.0                   |

Sources: Data for 1961-65 from *Narodnoe Khoziaistvo SSSR v 1973 gody* (Moskva: Statistika, 1974), p. 343; data for 1971-73 and 1974 from *Ekonomicheskaya gazeta*, vol. 5 (January, 1975), p. 6; planned output for 1975 including reported target revisions (with the exception of potatoes and vegetables) from Karl-Eugen Wädekin, "A Survey of Soviet Agriculture in 1974," *Radio Liberty Research Supplement*, May 9, 1975, p. 12; planned output targets (1975) for potatoes and vegetables from United States Department of Commerce, Joint Publications Research Service, *State Five-Year Plan for the Development of the USSR National Economy for the Period 1971-1975* (Washington, D.C.: U.S. Government Printing Office, 1972), p. 172.

\* annual averages for the period 1971-1975.

tive opportunities in the urban sector. Capital inputs could, of course, be provided, largely from the industrial (non-agricultural) sector, with an appropriate commitment by the state.

The changes of the 1950's, significant as they may have been, left the agricultural sector in a posture basically unacceptable to present Soviet leaders, characterized by substantial imports, inadequate supplies for the urban consumer, significant year-to-year fluctuations in output, inadequate performance of the animal-breeding sector, and so on.

Against this background, the last decade (1965-1975) can be seen as one of renewed emphasis on the improvement of Soviet agricultural performance. Keith Bush, an observer of Soviet economic affairs, commenting on this period, noted that "The overall picture which emerges is that of a rather consistent policy rather consistently applied."<sup>16</sup> What is this new policy, and what does it mean for Soviet agriculture?

The main thrust of the Brezhnev era is a commitment of state resources for agricultural development. This commitment envisages "intensification" of agricultural production and, over the long run, the "industrialization" of the agricultural sector.<sup>17</sup>

Possibly the most important evidence of this new

policy is the increased magnitude of state investment in agriculture. For example, during the seventh five year plan (1961-1965), state investment in agriculture amounted to just over 38 billion rubles, or an annual average investment of 7.6 billion rubles, representing 15.4 percent of the aggregate state investment in the Soviet economy.<sup>18</sup> The plan for 1971-1975 calls for state investment in agriculture of just over 83 billion rubles, or an annual average investment of 16.6 billion rubles, representing approximately 20 percent of the state investment in the economy. This plan expectation seems realistic in view of the performance achieved during the first four years of the plan.

This new investment by the state will be utilized for many purposes. Noteworthy, however, is the large land reclamation scheme (irrigation, clearing and so on) recently announced by Brezhnev and hailed as a means to bring new productivity to the nonchernozem zone (roughly the North and Northwest region of the Russian Republic). To achieve this goal, substantial amounts will be spent on new and better inputs. For example, during the seventh five year plan (1961-1965), 90.8 million tons of mineral fertilizer and 1,093,000 tractors were delivered to agriculture.<sup>19</sup> For the ninth five year plan (1971-1975), the comparable figures are 303.2 mil-

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<sup>16</sup> Keith Bush, "Soviet Agriculture: Ten Years Under New Management," *Radio Liberty Research Supplement*, May 23, 1975, p. 1.

<sup>17</sup> This aspect of Soviet agricultural policy is discussed in greater detail in the author's "Aspects of Soviet Rural Development," *Agricultural Administration*, vol. 1 (1975).

<sup>18</sup> Derived from *Narodnoe Khoziaistvo SSSR v 1973 Gody* (Moskva: Statistika, 1974), pp. 548-549; and Keith Bush, *op. cit.*, p. 3. Investment by collective farms is not included in these data.

<sup>19</sup> Keith Bush, *op. cit.*, p. 3.

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*"Despite the new economic rationality of Soviet postwar foreign trade policy, technological diffusion rather than the precise volume, composition and distribution of traded goods is likely to be the arbiter of long-term Soviet economic performance."*

## The Changing Pattern of Soviet Trade

BY STEVEN ROSEFIELDE

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TRENDS IN THE volume, composition and distribution of Soviet foreign trade are statistical facts, which possess no intrinsic meaning of their own. Their interpretation depends completely on the theoretical perspective from which they are assessed. One might suppose that, in economic affairs, economic analysis would best explain the causal relations embodied in the statistical evidence that exists. But because the Soviet Union as an administrative economy does not directly operate according to the norms of neoclassical economic theory, more often than not the literature on Soviet international trade has been viewed in terms of political economy, best understood as the political determination of economic affairs. Indeed, with only some modest exaggeration, until relatively recently, conventional wisdom has held that socialist trade was the absence of trade, except insofar as barter facilitated the political objectives of the Soviet Union in East Europe and the developing countries of Asia, Africa, and Latin America.

However, in the years between the rise of Soviet Premier Nikita Khrushchev and the implementation of the détente fashioned by President Richard Nixon and his secretary of state, Henry Kissinger, Soviet foreign trade policy has manifested an unexpected responsiveness to changing domestic economic exigencies. This "economic" consciousness has been reflected in the repudiation of autarchy, increasing Western participation in total Soviet foreign trade, and a restructuring of the commodity composition of traded goods. Although political considerations have seldom been absent, economic priorities have been accorded greater and greater weight, as the Soviets have striven to establish their influence globally as a great power, even when the overt motivation has been political.

An appreciation of the new economic spirit per-

vading the determination of Soviet foreign trade policy depends on an understanding of the prevailing domestic economic situation. Since the onset of the great industrialization drive in 1929, the Soviet economy has been governed by a strategy of rapid capital accumulation. The rationale for this tactic is simple enough. Consumers' goods, by definition, have short service lives and contribute only indirectly to the provision of future goods and services. Curtailing their production allows the reallocation of previously committed resources to defense and investment activities. If the marginal productivity of capital is unaffected or even increased by technological innovation, rapid capital accumulation augments the scope of future economic development and generates high rates of growth. The relative historical success of this primitive strategy, with its implicit assumption of a low rate of social time preference, in retrospect is attributable to a special conjuncture of technical and economic factors associated with extreme economic backwardness.

As the Soviet economy matured, however, its successes became in part its own fetters. The possibilities for further social mobilization were attenuated. Labor previously in abundant supply became increasingly scarce, and the technological interdependencies of industrial life multiplied. Slowly, but ineluctably, the policy of forced industrialization through rapid capital accumulation became dysfunctional. On one hand, society's demand for current rather than deferred consumption intensified, indicating a growing cleavage between consumers' and planners' preferences. On the other hand, the rate of growth itself was greatly curtailed. Apparently, the Marxist notion of infinitely augmenting the means of production through expanded reproduction was inducing diminishing returns. During the 1960's it became increasingly evident that the Soviets were

**TABLE 1: Postwar Trends in Soviet Foreign Trade Turnover (annual rates of growth)**

|           | National*<br>Product | Foreign Trade<br>Turnover | Turnover/<br>GNP |
|-----------|----------------------|---------------------------|------------------|
| 1961-1965 | 6.5                  | 7.7                       | 4.7              |
| 1966-1970 | 7.8                  | 8.6                       | 4.8              |
| 1971      | 5.6                  | 7.1                       | 4.9              |
| 1972      | 4.0                  | 10.1                      | 5.1              |
| 1973      | 8.0                  | 20.3                      | 5.7              |
| 1974      | —                    | 27.0                      | —                |

Sources: Benedikt Askanas, Halina Askanas, and Friedrich Levcik, "Structural Developments in CMEA Foreign Trade Over the Last Fifteen Years," *Wiener Institut für Internationale Wirtschaftsvergleiche*, February, 1975, p. 5. *Wall Street Journal*, May 26, 1975.

\* American estimates of Soviet GNP growth are significantly lower than the Austrian estimates cited here, and imply slightly higher Turnover/GNP ratios. Cf. Stanley Cohn, "Economic Burden of Defense Expenditures," in *Soviet Economic Prospects for the Seventies*, JEC (Joint Economic Committee of Congress, U.S.), June, 1973, p. 151.

**TABLE 2: Regional Distribution of Soviet International Trade (%)**

|      | Soviet Foreign Trade Turnover* With<br>CMEA | WEST | LDC |
|------|---------------------------------------------|------|-----|
| 1965 | 58                                          | 19   | 23  |
| 1970 | 56                                          | 21   | 23  |
| 1971 | 56                                          | 21   | 23  |
| 1972 | 60                                          | 23   | 17  |
| 1973 | 54                                          | 27   | 19  |
| 1974 | —                                           | 31   | —   |

Sources: *Vneshnaia Torgovlia*, various years, and *Wall Street Journal*, May 26, 1975.

\* CMEA (Council for Mutual Economic Assistance); WEST (Industrialized capitalist countries); LDC (Socialist and non-socialist less-developed countries).

discovering certain contradictions in the socialist (Soviet) strategy for growth. If everything else remained the same, the already high investment rate had to be further augmented in order to offset the decline in capital productivity, but societal pressure for increased current consumers' goods required a *decrease* in the share of the gross national product allocated to new capital formation. Thus the contradiction: increased consumption necessarily produced decreased growth; increased growth reduced the relative share of current consumption in the gross national product.

Worse still, recent econometric research indicates that the technological structure of the Soviet Union is such that high rates of investment have only a

<sup>1</sup> For a more thorough discussion of these complex matters see Steven Rosefielde and C. A. Knox, Lovell, "The Impact of Adjusted Factor Cost Valuation on the CES Interpretation of Postwar Soviet Economic Growth," unpublished manuscript, and Rosefielde, "Soviet Postwar Foreign Trade Policy: Stability and Metamorphosis," in Peter J. Potichnij and Jane Shapiro, editors, *From the Cold War to Detente* (New York: Praeger, 1975).

relatively small impact on the rate of growth in the consumers' goods sector. This output inelasticity with respect to new capital formation in the light industrial sector is caused by the relative difficulty of substituting capital for labor inputs in an industry that is essentially labor intensive. As the capital stock of light industry grows, the needed supply of labor is not forthcoming, engendering a precipitous fall in marginal capital productivity.<sup>1</sup> Light industry is more labor intensive than heavy industry. Thus, if the Soviets veer from the Stalinist growth model in an effort to provide their citizens with the current goods and services they desire, the rate of growth of the national economy will decline even more.

These developments are a matter of concern to Soviet decision makers, even though the overall performance of the Soviet economy is still respectable, compared with that of the United States. The obvious resolution of this "socialist" contradiction, apart from radically redesigning the economic system, would be to foster a more rapid rate of technological innovation in general, and labor-saving innovation in particular. At the same time, the effort to utilize existing resources (capital and labor) more rationally could be intensified. Research and development, however, entails a long gestation period, while economies of reallocation are often elusive. Is there a third way? The time-honored route for acquiring new technology and enhancing the productivity of domestic factor resources has long been through international trade. Have the Soviets availed themselves of the opportunities afforded by efficient international economic exchange, or have political considerations overridden the economic imperatives? A survey of recent trends perceived against the backdrop of declining Soviet capital productivity points to the pervasive domination of economic over old-fashioned political-economic priorities.

### SOVIET TRADE TRENDS

In 1973, the total Soviet foreign trade turnover (exports plus imports) was approximately 6 percent of the Soviet gross national product. Although this was less than the 10 percent prevalent in Czarist times, it was still substantially greater than the 1 percent characteristic of the 1930's. If the export bill is taken as a rough measure of the factor cost that would be incurred were the Soviets to produce their import bill domestically, only some 3 percent of the gross national product is attributable to foreign trade. Although this is a relatively small sum, it belies the advantages gained in terms of crucial transfers of foodstuffs and technology. Perhaps the most revealing indicator of the Soviet commitment to international exchange is its magnitude compared with market economies of similar size. Foreign trade turnover in the United States in 1973 (analogously



defined) was 11 percent. This suggests that the Soviets have yet to take full advantage of the trade opportunities open to them, even though they have rejected their earlier policy of economic isolationism.

Further confirmation of the fact that the extreme autarchic tendencies of the 1930's no longer govern Soviet foreign trade policy can be found in time series data. Table 1 contrasts trends in Soviet national product, foreign trade turnover and trade as a percentage of GNP. These statistics demonstrate that, throughout the 1960's and 1970's, Soviet foreign trade has grown more rapidly than the national product, markedly so in the years 1972-1973. The surprising results of the early mid-1970's, which appear to have continued in 1974, are part of a worldwide surge in foreign trade activity. As a consequence of the continuously more rapid growth of foreign trade, turnover as a share of GNP has steadily risen.

Regional trends are also noteworthy. In the past, a hallmark of the political determination of Soviet foreign trade policy was the relatively insignificant level of East-West exchange. From 1960 to 1974, the Soviets rearranged the regional distribution of their trade, diverting it away from less-developed socialist and non-socialist nations to the developed countries of the West. Table 2, which reports the relevant data on regional trade distribution, is particularly suggestive for the most recent period, 1970-1974, when domestic exigencies must have become increasingly compelling. Soviet-West trade in this brief five-year span rose as a share of total Soviet trade from 21 percent to 31 percent. Half the rise in Soviet international exchange in 1974 was accounted for by trade with the industrialized capitalist nations. It is, of course, conceivable that the new Soviet face toward the West is merely a reflection of the politics of détente. The magnitude and rapidity of the transformation, however, more plausibly suggest a dramatic response to pressing domestic economic needs.

Trends in the commodity composition of traded Soviet goods bear decisively on the issue of political versus economic motivation. There have been two particularly troublesome deficiencies in the Soviet program for economic development. First, technological progress was insufficiently brisk to offset the falling tendency in the marginal productivity of capital. Second, a low elasticity of factor substitution, combined with high labor intensity of production, resulted in specially sharp declines in the productivity of new capital formation in the light industrial sector. If the Soviets were cognizant of these difficulties, even

**TABLE 3: The Commodity Composition of Soviet Traded Goods in U.S.S.R.-CMEA Exchange 1955-1968**

| I. Imports           | Commodity Group Shares of Soviet Imports from the CMEA in Percentages |      |      |      |
|----------------------|-----------------------------------------------------------------------|------|------|------|
| Commodity Group      | 1955                                                                  | 1959 | 1963 | 1968 |
| 1. Natural Resources | 28.8                                                                  | 19.2 | 15.3 | 11.1 |
| 2. Heavy Industry    | 49.5                                                                  | 46.8 | 48.6 | 48.4 |
| 3. Light Industry    | 17.4                                                                  | 30.3 | 32.2 | 38.5 |
| 4. Agriculture       | 4.3                                                                   | 3.7  | 3.9  | 2.0  |

| II. Exports          | Commodity Group Shares of Soviet Exports to the CMEA in Percentages |      |      |      |
|----------------------|---------------------------------------------------------------------|------|------|------|
| Commodity Group      | 1955                                                                | 1959 | 1963 | 1968 |
| 1. Natural Resources | 29.2                                                                | 40.3 | 46.6 | 42.8 |
| 2. Heavy Industry    | 19.7                                                                | 16.0 | 21.2 | 28.6 |
| 3. Light Industry    | 34.8                                                                | 28.3 | 22.0 | 20.8 |
| 4. Agriculture       | 16.2                                                                | 15.4 | 10.2 | 7.8  |

**TABLE 4: The Commodity Composition of Soviet Traded Goods in U.S.S.R.-West Exchange 1955-1968**

| I. Imports           | Commodity Group Shares in Soviet Imports from the West in Percentages |      |      |      |
|----------------------|-----------------------------------------------------------------------|------|------|------|
| Commodity Group      | 1955                                                                  | 1959 | 1963 | 1968 |
| 1. Natural Resources | 26.2                                                                  | 32.5 | 19.0 | 10.4 |
| 2. Heavy Industry    | 54.6                                                                  | 47.3 | 61.0 | 58.6 |
| 3. Light Industry    | 19.2                                                                  | 20.0 | 19.7 | 30.4 |
| 4. Agriculture       | —                                                                     | 0.2  | 0.3  | 0.6  |

| II. Exports          |      | Commodity Group Shares in Soviet Exports to the West in Percentages |      |      |  |
|----------------------|------|---------------------------------------------------------------------|------|------|--|
| Commodity Group      | 1955 | 1959                                                                | 1963 | 1968 |  |
| 1. Natural Resources | 43.8 | 47.5                                                                | 60.4 | 65.4 |  |
| 2. Heavy Industry    | 5.5  | 3.9                                                                 | 3.7  | 8.6  |  |
| 3. Light Industry    | 32.1 | 27.5                                                                | 21.6 | 17.1 |  |
| 4. Agriculture       | 18.6 | 21.2                                                                | 14.4 | 8.8  |  |

in a general way, they could mitigate the problem by importing advanced technology intensive goods, labor-saving machinery and equipment or foreign substitutes for domestic labor intensive commodities. Products of advanced technology, especially the labor-saving variety, would quickly raise the overall productivity of Soviet industry and could be copied domestically. Import substitutes for labor intensive goods, particularly consumers' goods, could permit a reallocation of resources to capital intensive activities, augmenting the rate of economy-wide growth. Tables 3 and 4 are consistent with these conjectures. During the period 1955-1968, the share of heavy industrial imports in the total import bundle from the CMEA and the West was maintained at a very high level.<sup>2</sup> Moreover, since a standard ruble's worth of imports from the West contained a higher pro-

<sup>2</sup> West is defined here as England, France, Germany, and Finland, the major trading partners of the Soviets from the industrialized nations of the West.

portion of heavy industrial goods than from the LDC's, as the Soviets increased their trade participation with the West, they simultaneously augmented the importation rate of machinery and equipment, which in all likelihood was increasingly more advanced technology intensive. A comprehensive study of this technology transfer has not yet been published. When all the results are in, however, no one should be surprised if the Soviets have benefited massively from the technological fallout of détente.

Tables 3 and 4 reveal another decisive trend. Net light industrial imports have been growing impressively in Soviet-CMEA and Soviet-West trade. The pattern is unmistakable. Through the importation of labor intensive consumers' goods, the Soviets have managed to economize scarce labor resources, counteracting if only in part the forces retarding rapid Soviet growth. This assessment is buttressed by input-output analysis, which has demonstrated that by and large the Soviets import scarce, and export abundant, factor-intensive goods, in accordance with comparative theory, revealing that whatever the precise reason, Soviet responsiveness to the opportunities afforded by international trade is not only correct in a general way, but is well conceived in detail.<sup>3</sup> This impression is corroborated even when adjusted factor-cost prices are employed to measure Soviet specialization trends and comparative advantage.<sup>4</sup> Thus, Soviet foreign trade policy can be interpreted as a largely realistic response to domestic economic problems. Even where political considerations are paramount in the minds of Soviet decision makers, the opportunities for economic gain are apparently rarely ignored.

### SOVIET PRAGMATISM

Throughout the post-Stalinist period, Soviet foreign trade policy has exhibited a healthy responsiveness to domestic economic need, and from the evidence at hand it offers every sign of continuing to respond in the future. In addition to short-term adroitness in wheat and sugar trading, the Soviets have tried to obtain longer-term advantages in the form of embodied technology transfers and a more rational allocation of domestic resources through the importation of labor-intensive consumers' goods. The recent controversy over trade credits from the United States notwithstanding, the evidence suggests that the Soviets will hardly be deterred by the credit problem (especially in view of the increased value of their petroleum surpluses) if they are persuaded that domestic economic conditions require expanded acquisi-

tion of American technology. The near-term prognosis therefore indicates that the Soviets will continue to pursue the politics of détente as the best means of mitigating their domestic economic ailments, while the United States receives intangible political concessions as a non-equivalent exchange.

A note of caution must be registered against seeing more in statistical trends in Soviet foreign trade data than is warranted. In particular, Soviet adoption of an essentially correct foreign trade policy does not assure the supersession of its domestic economic difficulties, nor does it preclude their resolution by entirely different means. Holding the issue of trade in abeyance, it is possible that the Soviets could reverse their fortunes by increasing their domestic commitment to basic research, advanced technological innovation, and the diffusion of labor-saving processes. For example, already available automatic data processing technology, with its strong labor-saving bias, could go a long way toward mitigating relative labor scarcity and bolstering the marginal productivity of capital. Relatedly, the high level of autonomous technological growth (growth not imputed directly to scale factors or to simple quantitative increases in primary inputs) exhibited by the Soviet economy suggests that the Soviets may discover domestic solutions to their domestic economic woes.

While the Russians are likely to benefit from eschewing technological insularity, technology transfer is not necessarily embodied in material goods. Scientific and technical literature, blueprints, and straightforward licensing agreements not reflected in official Soviet foreign trade statistics could all contribute to increasing Soviet industrial growth. Offsetting this consideration, however, is the fact that duplicating the design of foreign equipment and adapting it for domestic need are not costless processes. Gains from technology transfer, whether in the form of licensing agreements or direct capital imports, could disappoint optimists.

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<sup>3</sup> Steven Rosefield, *Soviet International Trade in Heckscher-Ohlin Perspective* (Lexington, Mass.: Heath-Lexington, 1973).

<sup>4</sup> Rosefield, "Soviet Postwar Foreign Trade Policy: Stability and Metamorphosis," in Potichniy and Shapiro, editors, *From the Cold War to Détente*.

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*"The facile acceptance of détente in the West contrasts starkly with the explicit Soviet view of polar struggle. A realistic appraisal requires one to identify the ideological retooling . . . as an essential part of a general rearmament aimed toward world hegemony for this bureaucratic-totalitarian system. The Soviet leadership has not mellowed with the maturation of the regime; it has simply become more powerful."*

## Continuity and Change in Soviet Ideology

By R. JUDSON MITCHELL

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RECENT SOVIET political history has been marked by a resurgence of emphasis on Marxist-Leninist ideology. The main outlines of the campaign for the "re-ideologizing" of Soviet society were set by the end of the Twenty-fourth Party Congress in 1971. Since then, the pace of the campaign has quickened and the hardening of the official ideological line has assumed a more imperative intensity. The principal features of the campaign have included efforts for the stricter indoctrination of the masses, particularly young people; urgent measures to upgrade the ideological training of party cadres; a drive for purification of the arts; and an insistence that the social sciences play a major role in the struggle of ideas and in research to provide empirical foundations for the continuing reformulation and reinterpretation of Marxism-Leninism.<sup>1</sup> At the same time, the official ideological line, although it maintains certain key tenets of Marxism-Leninism, has exhibited a revisionism reflecting changes in Soviet society and politics that raises serious questions about the adherence of the Communist Party of the Soviet Union (CPSU) to the original Marxian version of the Communist utopia.

Communist decision makers legitimize their actions by reference to ideology; since its inception, there has been an intimate connection between ideology and power in the theory and practice of the Communist

movement. Furthermore, social change is the primary factor in the continuing reformulation of Communist developmental theory, the most flexible part of the ideology. There is an inexorable political compulsion for Communist leaders to relate social change carried out under the aegis of their modernization programs to the systemic fount of legitimacy, the claimed philosophical reality contained in historical materialism and dialectical materialism, the *histomat* and *diamat* of Soviet parlance. Ideological pronouncements therefore serve as key indicators of both power relationships and social change in the Soviet Union. Given the legitimizing function of ideology in Soviet society, we might reasonably hypothesize that major ideological campaigns reflect a "crisis of legitimacy" in the system. There is, indeed, considerable evidence that the party's current drive for the re-ideologizing of Soviet society supports such an hypothesis.

### PEACEFUL COEXISTENCE

The relationship between peaceful coexistence and ideological struggle postulated by Soviet spokesmen may seem superficially contradictory, but it is a logical and essential element of the contemporary ideological reinterpretation that reflects perceptions of both Soviet strength and weakness. In recent years, Soviet theoreticians have consistently maintained that peaceful coexistence does not extend to ideology, that détente makes ideological struggle more necessary, and that ideological conflict inevitably intensifies as peaceful coexistence proceeds.<sup>2</sup> Internally, détente may encourage ideological relaxation, which must be combatted; both internally and externally, détente is viewed as providing openings for bourgeois ideological offensives.

Détente is credited by Soviet spokesmen to a change in the world "correlation of forces"; i.e., there has been a decided shift in the distribution of power toward the socialist camp.<sup>3</sup> Specifically, this involves

<sup>1</sup> 24th Congress of the Communist Party of the Soviet Union: *Documents* (Moscow: Novosti, 1971), pp. 105-07, 230-31; L. Virina, "To Educate Convinced Fighters of the Party," *Sovetskaya Kultura*, October 8, 1974, p. 3; *Pravda* editorials June 23, 1974, p. 1 and September 2, 1974, p. 1; TASS dispatch from Moscow, August 30, 1974.

<sup>2</sup> See speech by Gen. A. A. Yepishev, *Krasnaya Zvezda*, March 15, 1974, pp. 1-2; and editorial, "Educate Active Builders of Communism," in *Kommunist*, no. 12, August, 1974, pp. 13-24.

<sup>3</sup> Sh. Sanakoev, "The World Today: Problem of the Correlation of Forces," *International Affairs*, November, 1974, pp. 40-50; see also speech by L. I. Brezhnev, *Pravda*, June 15, 1974, p. 1.

a vast increase in Soviet military and economic might vis-à-vis that of the imperialist camp.<sup>4</sup> Rational bourgeois decision makers take into account this change in the "correlation of forces"; unable to pursue their imperialistic aims by means of military force, they are compelled to seek accommodation with the socialist camp, particularly with its leader, the Soviet Union. Resulting agreements under the rubric "peaceful coexistence" reflect Soviet gains in the "diplomatic struggle of the two worlds."<sup>5</sup>

A notable aspect of this interpretation of "peaceful coexistence" is the tendency to revert to the imagery of "two camps" conceived in the earlier period of Soviet isolation although now, according to "correlation of forces" doctrine, the objective external threat to the Soviet Union is receding. At the same time, there has been a marked revival of nationalistic themes in Soviet ideological pronouncements, including a coupling of "Soviet patriotism" and "socialist internationalism" that is reminiscent of the Stalin era.<sup>6</sup> Soviet military forces are accorded an exalted place in "correlation of forces" doctrine, as the principal guarantor against anti-Soviet "imperialist adventures" and as the mainstay of the "reliable defense of the entire socialist camp."<sup>7</sup> While objective factors like military strength and economic growth are emphasized, Soviet spokesmen also insist upon the importance of a "moral factor" in the "correlation of forces," the depth and intensity of ideological commitment among partisans and masses in the "two camps."<sup>8</sup>

A broad new subjective factor in relations between the "two camps" has been repeatedly acknowledged by Soviet spokesmen in recent years. Western observers tend to stress Soviet economic weakness as a ma-

jor determinant of détente. On the Soviet side, economic problems are frequently frankly admitted but the most strongly expressed concern related to system maintenance is ideological vulnerability. The Brezhnev Doctrine held that the "difficulties" or "contradictions of socialism" at advanced levels of development left the socialist system open to bourgeois ideological offensives or "creeping counter-revolution." It was feared that such offensives held the potential for "reversing the course of history."<sup>9</sup> Since Soviet Premier Nikita Khrushchev's 1959 pronouncement on the end of "capitalist encirclement" has not been disavowed and since the objective factors in the "correlation of forces" are evaluated as increasingly favorable to the socialist camp, it is obvious that ideology has assumed somewhat the character of an independent variable in an open-ended struggle between the social systems. This Soviet concern for ideological vulnerability has not abated since the critical period of 1968-1970 that featured the Prague Spring and the workers' riots in Poland; on the contrary, the focus of attention has shifted from the "weakest links" of the socialist camp to Soviet society itself.

An editorial in *Krasnaya Zvezda*, in August, 1974, spoke of the need to "train ideological cadres in the skill of waging a struggle from offensive positions against bourgeois and revisionist ideology,"<sup>10</sup> implying an existing weakness in ideological confrontation. Young people are depicted as being especially vulnerable to the influence of bourgeois ideas. A July, 1974, article presented this aspect of ideological struggle as follows:

Imperialist propaganda is laying stakes on the ideological disarming of youth; it strives to set it against the older generation, to sow skepticism and indifference to politics, admiration of bourgeois ways.<sup>11</sup>

According to a *Kommunist* editorial in August, 1974, this ideological vulnerability of young people is attributable to the fact that "unlike the older generation, youth has not passed through the school of revolutionary struggle and has no political experience."<sup>12</sup> Other social elements regarded as responsive to bourgeois appeal are the subordinate nationalities and certain segments of the intelligentsia. There seems to be an awareness that processes of social modernization pose dangers of pluralism and attitudes antithetical to the "Soviet way of life"; official spokesmen display an acute sensitivity to Chinese charges concerning the "bourgeoisification" of Soviet society. Soviet theoreticians have consistently and vehemently denied that the "scientific-technical revolution" contains tendencies leading toward the "convergence" of the capitalist and the socialist systems.<sup>13</sup>

## POLARIZATION

The most pronounced feature of the argument against convergence is the contention that the two so-

<sup>4</sup> "Leninist Unity of Party and People," *Kommunist*, no. 6, April, 1975, p. 6.

<sup>5</sup> Sh. Sanakoev, "Socialist Foreign Policy: Coordination and Effectiveness," *International Affairs*, June, 1971, p. 10; N. Kapchenko, "Socialist Foreign Policy and the Restructuring of International Relations," *International Affairs*, April, 1975, p. 8.

<sup>6</sup> See speech by Mikhail A. Suslov, *Pravda*, October 23, 1974, pp. 1-2.

<sup>7</sup> A. A. Grechko, "The Leading Role of the CPSU in Building the Army of a Developed Socialist Society," *Voprosy Istorii KPSS*, no. 5, April, 1974, pp. 30-47.

<sup>8</sup> A. Voronov, "The Class Foundations of Foreign Policy," *International Affairs*, October, 1974, p. 94.

<sup>9</sup> Brezhnev's speech to the International Parties Conference, *Pravda*, June 8, 1969, pp. 1-4; A. Sovetov, "The Present Stage in the Struggle Between Socialism and Imperialism," *International Affairs*, November, 1968, pp. 3-9.

<sup>10</sup> *Krasnaya Zvezda*, August 31, 1974, p. 1.

<sup>11</sup> V. Bocharnikov, "Party Organization and Youth," *Sovetskaya Kultura*, July 30, 1974, p. 3.

<sup>12</sup> "Educate Active Builders of Communism," *op. cit.*, p. 21.

<sup>13</sup> E. Baller and N. Zlobin, "The Leninist Theory of Cultural Revolution and the Building of Communism," *Kommunist*, no. 13, September, 1970, p. 81; see also Leon Goure, D. Kohler, Richard Soll, and Annette Stiefbold, *Convergence of Communism and Capitalism: The Soviet View* (Miami: Center for Advanced International Studies, University of Miami, 1973), pp. 3-38.



cial systems maintain irreconcilable ideologies. In the Soviet view, the present stage of ideological struggle stems from the nature of imperialism. As the objective power of the imperialist camp declines, the imperialists become increasingly desperate in attempts to maintain their positions. Confronted with the objective strength of the socialist camp, they must overtly accept "peaceful coexistence" but seek more subtle means of attacking socialism and attempt to subvert the socialist system through bourgeois propaganda. Given the ideological vulnerability of the socialist system, the Soviets must respond by a counteroffensive in the realm of ideas and by the strengthening of the Soviet state and the Communist party. The struggle between social systems thus loses most of whatever character of historical inevitability it once possessed in Soviet eyes; and the Soviet version of Marxism-Leninism assumes a subjective quality highly resistant to dogmatization.

Polarization of social classes and polarization of ideology rank among the oldest and most cherished tenets of Marxism-Leninism. Khrushchev's greatest theoretical deviation may well have been his retreat from stringent polarization analysis, in his erratic acceptance of "many roads to socialism" and in his acknowledgement of the existence of a diversity of progressive social forces in the third world. The general tendency under Brezhnev has been a vigorous reassertion of polarization doctrine both externally and internally, i.e., politics is viewed as a conflict between two irreconcilably opposed forces, usually identified as socialist or Soviet and imperialist or anti-Soviet. Détente is regarded not as a negation but rather as a manifestation of polarization; détente and the Sino-Soviet conflict in fact provide the two principal touchstones in the "two camps" classification.

Georgi A. Arbatov, director of the prestigious Institute of the U.S.A., has identified the enemies of détente as the "American military-industrial complex, extreme imperialist reactionaries, Zionist circles, professional anti-Communists of all stripes," the "ruling circles of NATO" in Western Europe, and "the Peking leaders."<sup>14</sup> The Maoists are charged with desertion of socialism and socialist ideology and are said to have placed themselves "objectively" in the imperialist camp. Domestically, polarization analysis is extended to the Democratic Movement of intellectual

dissenters and to proponents of non-Russian nationalism; these groups are described as anti-Soviet and pro-imperialist. Ideology, rather than social class per se, appears now to be the principal ingredient of polarization analysis; the real criterion for classification is clearly one's position vis-à-vis the contemporary revision of Soviet ideology.<sup>15</sup>

One indication of the revised approach to polarization is the fact that the usual analyses of the economic breakdown of capitalism are now amply supplemented by critiques of an imperialist superstructure. Given the open-endedness of ideological struggle, it is necessary to demonstrate the weakness of bourgeois ideology as a structure of ideas and the limitations of its popular appeal; these aims are reflected in the current line concerning an ideological "crisis of anti-communism."<sup>16</sup>

The polarization concept does not provide a satisfactory rubric for two major Soviet concerns, the "cult of personality" and the problem of "bourgeoisification." A novel glorifying Stalin published in 1974 was first praised and then denounced in the Soviet press; there is an absence of unanimity and a certain discomfort in dealing with the social consequences and theoretical implications of Stalinism. The present "minicult" of adulation for Brezhnev apparently confounds this confusion.

The dramatic growth of social stratification in the Soviet Union has been noted realistically by both Chinese and Western observers; the Soviet citizenry no doubt is even more conscious of the existence of a "new class." The weak response of Soviet theoreticians to critics of this social development consists of the assertion that the Soviet Union has created a new type of intelligentsia, fundamentally different from the corresponding social stratum in the West; it is claimed that the "equalization of social status" is progressing rapidly in Soviet society.<sup>17</sup>

Despite its obvious deficiencies as a general framework for analysis, the polarization concept serves three highly important purposes for the Soviet leadership: it provides a powerful weapon against domestic pluralism; it justifies the strengthening of party and state; and it explains the fragmentation of the world Communist movement.

## THE PERMANENCE OF IDEOLOGY

Since 1968, Soviet theoreticians have grappled with the problem of integrating the new subjectivist approach into the claimed objective framework of Marxist dialectics.

This task has posed special difficulties for Soviet philosophers. In late 1971, the Institute of Philosophy of the U.S.S.R. Academy of Sciences launched a drive for completion of a logically coherent philosophical system incorporating *diamat* (dialectical materialism) and *histomat* (historical materialism),

<sup>14</sup> *Izvestia*, July 13, 1974, pp. 3-4.

<sup>15</sup> See T. T. Timofeyev, "Leninist Class Analysis and the Present," *Voprosy Filosofii*, no. 5, 1974, pp. 31-44.

<sup>16</sup> L. Skvorcov, "Class Tensions and the Crisis of Anti-Communist Ideology," *Kommunist*, no. 2, January, 1975, pp. 95-105; F. Zakharov, "Ideological Aspects of the Current Crisis in Imperialist Policy," *International Affairs*, no. 3, March, 1975, pp. 77-80; Voronov, *op. cit.*, p. 91.

<sup>17</sup> E. M. Babacov, "The Scientific-Technical Revolution and the Intelligentsia," *Voprosy Filosofii*, no. 5, 1974, pp. 68-78; V. S. Semenov, "Equalizing of the Social Status of People in the Soviet Union," *Voprosy Filosofii*, no. 5, 1974, pp. 45-54.

"fulfilling the legacy of Lenin." Serious deficiencies were admitted in "materialist dialectics" and the supremacy of "objective" dialectics over "subjective" dialectics was severely criticized.<sup>18</sup> Some philosophical revision was carried out in accord with the new subjectivist approach of the leadership, but progress has been slow; as of mid-1975, the goal of systematic completion of "materialist dialectics" appeared to be no closer than in mid-1972.<sup>19</sup>

The French Communist theoretician, Louis Althusser, maintains that ideology is an essential element of all societies, including the Communist one.<sup>20</sup> Implicit acceptance of this proposition by Soviet theoreticians is central to the contemporary reconceptualization of ideology and lies at the heart of the philosophical matters mentioned above; authoritative party spokesmen now leave little doubt about their acceptance of the "permanence of ideology."<sup>21</sup> This has profound consequences for the Soviet view of the ultimate Communist utopia.

According to Marx, ideology represented partial, differentiated interests. In the coming Communist society, there would be no ideology, since there would be no distinct partial interests. So long as ideology continues, there is no unity of interests and the "superstructure" has not been submerged in the "substructure." For Marx, the objective "substructural" basis for ideology was the division of labor or functional specialization, which historically gave rise to partial interests and separate classes. Assertion of the permanence of ideology therefore requires a denial of the vital Marxian principle of "abolition of the division of labor," if one is to theorize within the framework of Marxist materialism. And Soviet the-

oreticians have, in fact, taken this crucial step in revision of the Communist utopia.

Authoritative Soviet spokesmen now maintain that the division of labor or functional specialization not only continues but deepens and accelerates in the stage of communism.<sup>22</sup> Thus the essential theoretical condition has been met for the many-sided reinterpretation of communism as the dominance of the "substructure" by the "superstructure," which at least in form represents a decisive reversal of Marxism.

## PARTY, STATE, AND PEOPLE

The independence of the "superstructure" vis-à-vis the "substructural" social base is affirmed in the official assertion that both party and state will continue to grow until the inception of communism; presumably, these structures will then continue into the stage of communism itself. Since Marx defined the movement toward communism in terms of the progressive structural unification of society and the "withering away of the state," it is obvious that a central element of original Marxism has been drastically revised. Stalin had posited a temporary strengthening of party and state due to "increasing contradictions" under socialism; the Khrushchev era witnessed a tentative movement toward the radical reassessment of long-run state and party power, particularly in the Party Program adopted at the Twenty-second Congress in 1961; now, the structural design of the future society has been definitively reshaped. Basic reasons advanced for this revision of the utopian program are the ideological danger posed by objectively declining imperialism; and more important, the increasing functional complexity of Soviet society as socialist development proceeds.<sup>23</sup>

In other words, the division of labor, always one of the more difficult theoretical problems in the Marxist analysis of society, can no longer be confined to particular types of social organization—the denial of "convergence" notwithstanding—but is universally associated with modernization. Like Dostoevsky's Grand Inquisitor, Soviet theoreticians have found it expedient to bring the heavenly vision into conformity with earthly facts.

Brezhnev connected the problem of functional specialization and the growth of the superstructure in his speech to the Twenty-fourth Party Congress:

The larger the scale of our creative work and the more difficult the problems that have to be tackled, the greater becomes the role and responsibility of the Communist party, which leads the masses.<sup>24</sup>

The theoretician A. Yegerov, in a January, 1973, *Kommunist* article, spelled out explicitly the continuation of state and party beyond the stage of socialism:

<sup>18</sup> Constantine Olgin, "Recent Doctrinal Adjustments in Soviet Philosophy," Radio Liberty dispatch, July 12, 1973.

<sup>19</sup> See F. V. Konstantinov, "Contemporary Problems of Marxist-Leninist Philosophy and Tasks of the Philosophical Association," *Voprosy Filosofii*, no. 1, 1972, pp. 25-39; Wolfgang Eichhorn, "Theoretical Questions of the Study of Contradictions under Socialism," *Voprosy Filosofii*, no. 3, 1974, pp. 67-72; P. D. Puzikov, "Dialectics as General Methodology," *Voprosy Filosofii*, no. 12, 1974, pp. 61-67.

<sup>20</sup> Louis Althusser, *For Marx* (New York: Vintage Press, 1970), p. 232.

<sup>21</sup> A. Yegerov, "The Party of Scientific Communism," *Kommunist*, no. 1, January, 1973, pp. 36-55; B. Grigoryan, "Problem of the Individual in Marxist-Leninist Philosophy," *Kommunist*, no. 3, February, 1975, p. 55.

<sup>22</sup> Yegerov, *op. cit.*, pp. 48-49; V. G. Afanasyev, "V. I. Lenin on the Scientific Direction of Society," *Voprosy Filosofii*, no. 1, 1974, pp. 17-29; cf. Brezhnev's Warsaw speech, *Pravda*, July 22, 1974, p. 1.

<sup>23</sup> P. Fedoseev, "Growth in the Role of the Party-Revolutionary Law of Socialist and Communist Construction," *Kommunist*, no. 15, October, 1971, pp. 72-91; G. Pavlov, "Growth in the Role of the Party and the Responsibility of Communists," *Kommunist*, no. 4, March, 1972, pp. 14-25, esp. p. 15.

<sup>24</sup> 24th Congress of the Communist Party of the Soviet Union: *Documents*, *op. cit.*, p. 110; see also pp. 122, 213, 226.

With the victory of socialism, the state ceases to be an instrument of class domination, but it by no means disappears. . . . Even Communist self-government, which we are moving toward, does not arise apart from the bodies of state authority or irrespective of them but springs directly from them . . . the Communist party—the vanguard of the people, their generally recognized leader—is the guiding nucleus of all state and public organizations, their cementing principle.<sup>25</sup>

Alongside this emphasis on growth of state and party power, there has been a reassertion of the thesis of “party and state of the entire people” advanced by Khrushchev.<sup>26</sup> Remarkably, the exchange of internal passports now being conducted has been cited as evidence of the practical application of these concepts. A *Kommunist* lead article in April, 1975, contained the assertion that the absence of identification by social class on the new passports reflects full support for the regime by “all classes and social groups,” the growing homogeneity of the society, and the Leninist “unity of party and people.”<sup>27</sup> The continuing unrest of the non-Russian nationalities, comprising about half of the Soviet population, is most inconvenient for the “party and state of the entire people” thesis. This problem has been countered by vigorous campaigns against non-Russian forms of nationalism and by a rather clear commitment to the “amalgamation” (*slivanie*) approach to nationalities questions.<sup>28</sup>

The concept of “state of the entire people” is, of course, a contradiction in terms from the perspective of original Marxism. For Marx, the state was an agency representing class interests; the projected unity of society would render the state superfluous. The concept “party of the entire people” may not be contradictory in the same sense but it poorly accords with Marx’s confident depiction of a self-regulating Communist society. Retention of these linked concepts from the Khrushchev era suggests that in developed socialist society all leaderships, whatever their divergences on general policy, must recognize the essential incompatibility between the original Marxian utopia on the one hand and the actual development of society under forced modernization and the structural interests of socialist elites on the other.

### THE “NEW MAN”

Beyond questions of class and power, the problem

of personality has always loomed as the final frontier of Marxism. For Marx, a fundamental change in consciousness was the ultimate revolutionary activity; this change in consciousness applied specifically to the proletariat, which would become the universal class and thus abolish all class relations. If division of labor extends into the stage of communism, then the proletariat cannot be a universal class and its consciousness cannot possess that universal quality ascribed to it by Marx. Nevertheless, the structural stability of mature socialist society requires the consensual support of the working class and a linkage of values among the distinct social elements that, according to Marxism, are the inevitable product of increasing division of labor or functional specialization. In the contemporary Soviet conception of utopia, it would appear that interests cannot be identical but may be complementary.

Further, there is obviously a place for the sort of myths and symbols that have helped to maintain stable authoritarian societies of the past. “Soviet patriotism” and “the Soviet way of life” provide examples of such symbolic manipulation and are important for the cohesion of Soviet society today. A subtle redefinition of the concept of “the new Soviet man” is potentially much more vital to the revised Soviet model of the Communist utopia.

Here the party again plays a crucial role; its “ideological-educational leadership” in the formation of the “new man” is said to be one of its main tasks.<sup>29</sup> The term “cultural revolution” has been used to describe this process of transformation<sup>30</sup> but the Soviet version of “cultural revolution” is far different from that of the Chinese and is much more subdued in tone. A September, 1974, *Izvestia* editorial outlined (via negative definition) the attitudes expected of the “new Soviet man”:

The Communist party resolutely defends Marxist-Leninist ideology and the moral-ethical principles of socialist society. We cannot reconcile ourselves to phenomena which are alien to our society such as egoism and philistinism with its rejection of spirituality and cult of material possessions. It is essential to wage an irreconcilable, uncompromising struggle against the bourgeois concept of the “consumer society,” and against individualism which imperialist propaganda is trying to impose upon us.<sup>31</sup>

(Continued on page 147)

<sup>25</sup> Yegerov, *op. cit.*, pp. 53–54.

<sup>26</sup> 24th Congress of the Communist Party of the Soviet Union: Documents *op. cit.*, pp. 87, 126, 226; Brezhnev’s speech to the 11th Hungarian Party Congress, *Pravda*, March 19, 1975, pp. 1–2.

<sup>27</sup> “Leninist Unity of Party and People,” *op. cit.*, p. 10.

<sup>28</sup> See speech by Mikhail A. Suslov, *Pravda*, October 23, 1974, pp. 1–2.

<sup>29</sup> E. Antipin, “On the Promotion of Effective Ideological Work,” *Kommunist*, no. 1, January, 1975, p. 42; see also “The Building of Communism and the Socially Active Personality,” *Kommunist*, no. 18, December, 1974, pp. 5–13.

<sup>30</sup> Baller and Zlobin, *op. cit.*, pp. 80–90.

<sup>31</sup> *Izvestia*, September 5, 1974, p. 1.

R. Judson Mitchell has written about Soviet ideology for *Review of Politics*, *Orbis*, *Studies in Comparative Communism*, and other publications. He was a contributor to the 1974 and 1975 editions of *Yearbook on International Communist Affairs*; to Jan F. Triska (ed.), *Communist Party-States* (Indianapolis: Bobbs-Merrill, 1969); and to Morton A. Kaplan (ed.), *Great Issues of International Politics*, 2d ed. (Chicago: Alpine, 1974).

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## BOOK REVIEWS

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### ON THE SOVIET UNION

SOVIET POLITICS AND SOCIETY IN THE 1970's. EDITED BY HENRY W. MORTON and RUDOLF L. TÖKES. (New York: The Free Press, 1974. 401 pages and index, \$12.50.)

This collection of ten solid, informative essays on Soviet politics and society is timely and original. The topics deal with dissent, technology, the role of women, housing problems, crime, consumer welfare, community affairs, Soviet-third world developments, and the challenge of modernization.

Alvin Z. Rubinstein  
University of Pennsylvania

KGB: THE SECRET WORK OF SOVIET SECRET AGENTS. BY JOHN BARRON. (New York: Reader's Digest Press, distributed by E. P. Dutton, 1974. 462 pages, appendix, bibliography, and index, \$10.95.)

This "Who's Who" of Soviet spies makes fascinating reading. Carefully culling the documentary record and interviewing Western officials and Soviet defectors, the author has written an absorbing, informative account of the activities of the Soviet secret police.

A.Z.R.

THE WARSAW UPRISING OF 1944. BY JAN M. CIECHANOWSKI. (New York: Cambridge University Press, 1974. 332 pages, bibliography and index, \$19.50.)

In July, 1944, with advancing Soviet troops within sight of Warsaw, the non-Communist Polish underground rose up against the Nazi occupiers in a tragic effort to liberate the city before the Communists took over. By refusing to help the Poles and by frustrating Western efforts to drop supplies, Moscow ensured the success of the Germans in destroying key elements of Poland's military and political elite. This is an absorbing narrative of a "turning point" in Poland's history and in East-West relations.

A.Z.R.

HANDBOOK OF MAJOR SOVIET NATIONALITIES. EDITED BY ZEV KATZ, ROSEMARIE ROGERS, AND FREDERIC HARNED. (New York: The Free Press, 1975. 481 pages, tables and index, \$25.00.)

The Soviet Union is a mosaic of nationalities. The Russians constitute only about 50 percent of

the population of 240 million. This multi-ethnic, multilingual conglomeration has been a key determinant of Czarist and Soviet centralism and authoritarianism.

Seventeen of the most important nationalities are treated in this major reference handbook. The chapters provide data on the population, territory, economy, history, culture, and external history of key nationalities, including the Russians, Ukrainians, Estonians, Armenians, Georgians, Tatars, and Moldavians. There is also information on educational, cultural, and scientific institutions, and on the contemporary manifestations of ethnic nationalism. Anyone interested in the Soviet Union will find this an indispensable reference work.

A.Z.R.

DETENTE IN HISTORICAL PERSPECTIVE. EDITED BY GEORGE SCHWAB AND HENRY FRIEDLANDER. (New York: Cyrco Press, Inc., 1975. 171 pages and index, \$7.95.)

This interesting volume is the result of the first CUNY Conference on History and Politics, held in October, 1974. The participants whose addresses and thoughts are analyzed here addressed themselves to three main questions: "To what extent can genuine détente be brought about by two superpowers which have such radically divergent conceptions of the very nature of politics? Can tensions between the United States and the Soviet Union be defused in one area—Europe—and not in another—the Middle East? To what extent is her [the Soviet Union's] new ideological stand genuine, and to what extent is it merely a tactical response to a new challenge?"

George Schwab concludes that the Soviet Union has not abandoned its Marxist-Leninist political contention that conflicting political systems cannot coexist. He regards détente as a political tactic and not as an ultimate change in policy. O.E.S.

THE MENSHEVIKS: FROM THE REVOLUTION OF 1917 TO THE SECOND WORLD WAR. EDITED BY LEOPOLD H. HAIMSON. (Chicago: University of Chicago Press, 1974. 476 pages, notes, name index and index, \$22.50.)

This history covers two decades of the Menshevik party in Russia. In effect, the book pictures the decline of the party from its separation

(Continued on page 153)



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## CURRENT DOCUMENTS

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# Declaration of the Conference on Security and Cooperation in Europe

*On August 1, 1975, in Helsinki, Finland, leaders of the 35 nations participating in the European conference on security and cooperation, including all the nations of Europe (except Albania) plus the United States and Canada, signed a 100-page declaration on European security. Excerpts follow:*

### ON SECURITY

The states participating in the Conference on Security and Cooperation in Europe,

Convinced of the need to exert efforts to make détente both a continuing and an increasingly viable and comprehensive process, universal in scope,

Recognizing the close link between peace and security in Europe and in the world as a whole and conscious of the need for each of them to make its contribution to the strengthening of world peace and security and to the promotion of fundamental rights, economic and social progress and well-being for all peoples;

Have adopted the following:

The participating states,

Reaffirming, in conformity with their membership in the United Nations and in accordance with the purposes and principles of the United Nations, their full and active support for the United Nations and for the enhancement of its role and effectiveness in strengthening international peace, security and justice, and in promoting the solution of international problems, as well as the development of friendly relations and cooperation among states;

Declare their determination to respect and put into practice the following principles, which all are of primary significance, guiding their mutual relations:

The participating states will respect each other's sovereign equality and individuality as well as all the rights inherent in and encompassed by its sovereignty, including in particular the right of every state to juridical equality, to territorial integrity and to freedom and political independence. They will also respect each other's right freely to choose and develop its political, social, economic and cultural systems as well as its right to determine its laws and regulations.

Within the framework of international law, all the participating states have equal rights and duties. They will respect each other's right to define and conduct as it wishes its relations with other states in accordance with international law and in the spirit of the present declaration. They consider that their frontiers can be changed, in accordance with international law, by peaceful means and by agreement. They also have the right to belong to or not to belong to international organizations, to be or not to be a party to bilateral treaties, including the right to be or not to be a party to treaties of alliance; they also have the right to neutrality.

The participating states will refrain in their mutual re-

lations, as well as in their international relations in general, from the threat or use of force against the territorial integrity or political independence of any state. No consideration may be invoked to serve to warrant resort to the threat or use of force in contravention of this principle.

Accordingly, the participating states will refrain from any act constituting a threat of force or direct or indirect force against another participating state. Likewise they will refrain from any manifestation of force for the purpose of inducing another participating state to renounce the full exercise of its sovereign rights. Likewise they will also refrain in their mutual relations from any act of reprisal by force.

No such threat or use of force will be employed as a means of settling disputes, or questions likely to give rise to disputes, between them.

The participating states regard as inviolable all one another's frontiers as well as the frontiers of all states in Europe, and therefore they will refrain now and in the future from assaulting these frontiers.

Accordingly, they will also refrain from any demand for, or act of, seizure and usurpation of part or all of the territory of any participating state.

The participating states will likewise refrain from making each other the object of military occupation or other direct or indirect measures of force in contravention of international law. No such occupation or acquisition will be recognized as legal.

The participating states will settle disputes among them by peaceful means in such a manner as not to endanger international peace and security and justice. They will endeavor in good faith and a spirit of cooperation to reach a rapid and equitable solution on the basis of international law.

The participating states will refrain from any intervention, direct or indirect, individual or collective, in the internal or external affairs falling within the domestic jurisdiction of another participating state, regardless of their mutual relations.

The participating states will refrain from direct or indirect assistance to terrorist activities or to subversive or other activities directed towards the violent overthrow of the regime of another participating state.

The participating states will respect human rights and fundamental freedoms, including the freedom of thought, conscience, religion or belief, for all without distinction as to race, sex, language or religion.

Within this framework the participating states will rec-

ognize and respect the freedom of the individual to profess and practice, alone or in community with others, religion or belief acting in accordance with the dictates of his own conscience.

The participating states on whose territory national minorities exist will respect the right of persons belonging to such minorities to equality before the law, will afford them the full opportunity for the actual enjoyment of human rights and fundamental freedoms and will, in this manner, protect their legitimate interests in this sphere.

The participating states recognize the universal significance of human rights and fundamental freedoms, respect for which is an essential factor for the peace, justice and well-being necessary to insure the development of friendly relations and cooperation among themselves as among all states.

The participating states will respect the equal rights of peoples and their right to self-determination, acting at all times in conformity with the purposes and principles of the Charter of the United Nations and with the relevant norms of international law, including those relating to territorial integrity of states.

They confirm that governments, institutions, organizations and persons have a relevant and positive role to play in contributing toward the achievement of these aims of their cooperation.

The participating states will fulfill in good faith their obligations under international law, both those obligations arising from the generally recognized principles and rules of international law and those obligations arising from treaties or other agreements, in conformity with international law, to which they are parties.

They will furthermore pay due regard to and implement the provisions in the final act of the Conference on Security and Cooperation in Europe.

The participating states confirm that in the event of a conflict between the obligations of the members of the United Nations under the Charter of the U.N. and their obligations under any treaty or other international agreement, their obligations under the Charter will prevail.

All the principles set forth above are of primary significance and, accordingly, they will be equally and unreservedly applied, each of them being interpreted taking into account the others.

## ON COOPERATION

The participating states,

Desirous of eliminating the causes of tension that may exist among them and thus of contributing to the strengthening of peace and security in the world,

Determined to strengthen confidence among them and thus to contribute to increasing stability and security in Europe,

Recognizing the need to contribute to reducing the dangers of armed conflict and of misunderstanding or miscalculation of military activities which could give rise to apprehension, particularly in a situation where the participating states lack clear and timely information about the nature of such activities,

Recognizing that this measure deriving from political decision rests upon a voluntary basis, have adopted the following:

They will notify their major military maneuvers to all other participating states through usual diplomatic channels in accordance with the following provisions:

Notification will be given of major military maneuvers exceeding a total of 25,000 troops, independently or com-

bined with any possible air or naval components. In the case of independent maneuvers of amphibious or airborne troops, or of combined maneuvers involving them, these troops will be included in this total. Furthermore, in the case of combined maneuvers which do not reach the above total but which involve land forces together with significant numbers of either amphibious or airborne troops, or both, notification can also be given.

Notification will be given of major military maneuvers which take place on the territory, in Europe, of any participating state as well as, if applicable, in the adjoining sea area and airspace.

In the case of a participating state whose territory extends beyond Europe, prior notification need be given only of maneuvers which take place in an area within 250 kilometers from its frontier facing or sharing with any other European participating state. The participating state need not, however, give notification in cases in which that area is also contiguous to the participating state's frontier facing or shared with a non-European nonparticipating state.

Notification will be given 21 days or more in advance of the start of the maneuver, or in the case of a maneuver arranged at shorter notice at the earliest possible opportunity prior to its starting date.

Notification will contain information of the designation, if any, of the general purpose of and the states involved in the maneuver, the type or types and numerical strength of the forces engaged, the area and estimated time frame of its conduct. The participating states will also, if possible, provide additional relevant information, particularly that related to the components of the forces engaged and the period of involvement of these forces.

The participating states recognize that they can contribute further to strengthening confidence and increasing security and stability and to this end may also notify smaller-scale military maneuvers to other participating states, with special regard for those near the area of such maneuvers.

The participating states will invite other participating states, voluntarily and on a bilateral basis, in a spirit of reciprocity and goodwill towards all participating states, to send observers to attend military maneuvers.

The inviting states will determine in each case the number of observers, the procedures and conditions of their participation, and give other information which it may consider useful.

The participating states recognize that they may, at their own discretion and with a view to contributing to confidence-building, notify their major military movements.

They will, with due regard to reciprocity and with a view to better mutual understanding, promote exchanges by invitation among their military personnel, including visits by military delegations.

They are convinced of the necessity to take effective measures in those fields which by their scope and by their nature constitute steps towards the ultimate achievement of general and complete disarmament under strict and effective international control.

The participating states also declare their intention of maintaining and amplifying the contacts and dialogue as initiated by the C.S.C.E. with the nonparticipating Mediterranean states to include all the states of the Mediterranean, with the purpose of contributing to peace, reducing armed forces in the region, strengthening security, lessening tensions in the region and widening the scope of cooperation.

## THE SOVIET ECONOMY

(Continued from page 132)

lion tons of fertilizer and 1,700,000 tractors.<sup>20</sup> Both represent substantial increases and are targets likely to be achieved.

If there has been a serious new commitment to the agricultural sector by the state, it certainly must have contributed to the improved output performance summarized in Table 2.<sup>21</sup>

Note, for example, that the average annual output of grain has risen from approximately 130 million tons (1961–1965) to roughly 190 million tons (1971–1973) in spite of natural setbacks in 1972. To take another important case, average annual meat output for the same periods rose from 9.3 million to 13.5 million tons.

Does the improved performance that we see here mean that unstable and inadequate agricultural production is a thing of the past? The period of time we have been examining is relatively short. Soviet agricultural performance has improved, largely due to increased state resources. It must be noted that these resources represent a large and expensive state subsidy to agriculture, a continuing problem for future state budgets as Soviet planners attempt to distribute the nation's scarce resources among many alternative tasks.<sup>22</sup>

Further, the transformation of the Soviet agricultural sector to an essentially intensive method, while appropriate, is a long-run strategy. Year-to-year fluctuations in output, especially in sub-sectors of lesser priority, remain great. For example, gross agricultural output in 1974 was 96.3 percent of 1973.<sup>23</sup> Grain yields have increased gradually from 10.2 centners per hectare (1961–1965) to 15.7 centners per hectare (1971–1973).<sup>24</sup>

<sup>20</sup> Karl-Eugen Wädekin, "A Survey of Soviet Agriculture in 1974," *Radio Liberty Research Supplement*, May 9, 1975, p. 22.

<sup>21</sup> In this study, we have generally used Soviet official data series without alteration. In some cases, these series differ significantly from their Western counterparts, for example, in the case of grain output data where spoilage is an important factor. While these data present a reasonably accurate picture of the trends outlined, the reader wishing to pursue the matter further should consult the cited works of Keith Bush and Karl-Eugen Wädekin, or on the general subject Vladimir G. Treml and John P. Hardt (eds.), *Soviet Economic Statistics* (Durham, N.C.: Duke University Press, 1972).

<sup>22</sup> Estimation of the agricultural subsidy is difficult. A figure of roughly 20 billion rubles has been suggested for 1975. On this see Keith Bush, *op. cit.*, pp. 18–21; Constance B. Krueger, "A Note on the Size of Subsidies on Soviet Government Purchases of Agricultural Products," *The ACES Bulletin*, Fall, 1974, pp. 63–69.

<sup>23</sup> *Ekonomicheskaya gazeta*, vol. 5 (January, 1975), p. 5.

<sup>24</sup> *Narodnoe Khoziaistvo SSSR v 1973 Gody* (Moskva: Statistika, 1974), p. 344.

Quite apart from the peculiar natural conditions of Soviet agriculture, however, much remains to be done in other spheres. For example, massive investment in infrastructure is essential. We have noted, just to take two cases, that both grain output and fertilizer inputs have increased significantly. But neither are of any value if they spoil because there is no appropriate transport and/or storage. The pervasive nature of this sort of problem can be confirmed even by the casual observer of the Soviet general and specialized press.

Labor supply remains a problem. One expects a decline in the labor force of the rural sector during the process of economic development. However, when that outflow is rapid and there is insufficient factor substitution in the rural sector, the resulting seasonal and regional imbalances present a serious organizational challenge, not to mention the persistent shortage of specialists and tractor drivers. Thus in spite of substantial increases in the magnitude of rewards, it remains difficult to insure that the newly delivered tractors will be driven, or that labor can be attracted away from the private to the socialized sector to achieve state goals and wishes.

Organizational change has been and remains an important component of Soviet agricultural policy. The longer-run impact of this sort of change upon performance is difficult to judge.

In sum, the Soviet agricultural sector suffers from years of its relatively low priority position in the overall pattern of Soviet economic development. Recent policy seems to be reversing this neglect, albeit within a long-run strategy of building upon the organizational changes of the past. If this commitment continues, doubtless Soviet agricultural performance will improve, although not without a substantial cost burden to the state.

### SUMMARY

Soviet economic performance has been and will remain of interest to a wide spectrum of observers. Indeed, as the Soviet economy leaves the era of rapid industrialization and enters upon economic maturity, its experience with centralized economic planning to manipulate employment, price levels, income distribution, and so on, will be of even greater relevance to the market economies of the West.

Soviet leaders face a formidable challenge, however, in their attempt to maintain rapid rates of economic growth. Unless technological progress can be brought to bear with greater force than has been apparent in the past, it will be difficult to meet the capital needs of the industrial sector while at the same time meeting the demands of an urban consumer, and feeding that consumer with the aid of a large state subsidy to the agricultural sector. ■



## SOVIET-AMERICAN RELATIONS

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troubles that hit Europe in 1974 and 1975, creating a situation quite different from that prevailing five years or so before, when Moscow had made its choice for the policy of détente. Soviet observers could see the financial plight of leading Western nations, the growth of local Communist strength in Italy and France, and the possibility of social unrest and even of revolution in some countries, following the example of Portugal. It is no wonder that Soviet leaders began to speak of the general crisis of capitalism that Marx had predicted as inevitable.

The question before the Kremlin was whether the situation called for new policies aimed at exploiting more actively the West's weakness. A leading ideologue and candidate member of the Politburo, B. N. Ponomarev, told representatives of European Communist parties in October, 1974, that the class struggle was developing on a broader scale in West Europe and that the Communists had greater possibilities than ever before to influence the course of events in the interest of lasting peace.<sup>7</sup> Other statements for consumption by the party faithful at home could be read as a militant call to action.

It cannot be said, however, that such statements indicated a new course. The evidence of Soviet foreign policy in practice seemed to show that détente and cordial relations with Western governments were still in favor. If the tide was running against the West, then détente was partly responsible and might continue to be useful. A militant policy aimed at bringing leftist forces to power might backfire, reviving anti-Sovietism and galvanizing Western resistance. On the other hand, there could be little doubt that Soviet leaders were watching carefully, gauging the strength of contending political forces in Europe. The Soviet plan for a conference of European Communist parties proceeded apace, to the accompaniment of much talk of the need to foil the aggressive designs of United States imperialism and its European puppets. Meanwhile, the Communist party of Portugal and its pro-Moscow leader, driving for power at the expense of the democratic parties, appeared to be getting a good deal of foreign financial support.

These ambiguities of Soviet policy in Europe were especially worrisome to the United States. Secretary Kissinger expressed concern about Portugal and about

dire possibilities in Italy, but he obviously could not do much about it except watch. Soviet action would be, perhaps, the crucial test of the policy of détente. For if the Soviets, after the long negotiations on European security and the publicized summit at Helsinki, were to help disrupt or destroy democratic parties and institutions in West Europe or to challenge the balance between East and West, that would spell the end of détente with the United States.

## THE MIDDLE EAST

Unlike Europe, the Middle East was a region where the superpowers had made no attempt to codify their relations or to negotiate and to stabilize an existing balance. President Nixon and Brezhnev discussed the Middle East at their meetings in 1972 and 1973, and agreed that the Arab-Israeli conflict contained grave dangers to peace; but they took no effective measures to prevent the outbreak of a new round of war in October, 1973. In the region itself, there were no established and relatively stable lines between the two blocs such as existed in Europe. Nor were the two superpowers in control of events. The entire Soviet position in the area was so dependent on Soviet ties with a number of Arab states that it was impossible for Moscow to take a role other than that of patron of the Arab cause against Israel. In a similar way, the United States, while actively seeking an Arab-Israeli peace, simultaneously gave strong political support and arms aid to Israel without being willing or able to influence Israeli policy. The two outside powers were trying to gain advantages in their competition with each other; the local states were a part of the balance between them; and those states, in turn, tried to use the situation to their own respective advantage.

Agreements concluded at the summit meetings of 1972 and 1973 pledged consultation on situations dangerous to peace. Nevertheless, the Soviets did not consult with Washington about the imminent Arab attack on Israel in October, 1973, although they knew it was coming. The war itself infused great tension into Soviet-American relations and showed how very limited the structure of détente was in the Middle East. Secretary Kissinger had said several times that the Soviet Union could not be allowed the privilege of having "selective" détente, taking advantage of cooperation in one area and rejecting it in another. The fact remains that the two powers did ultimately act together to stop the fighting, sponsoring a joint resolution in the U.N. Security Council. Both took the occasion, when the crisis was over, to say that détente had, in fact, worked. The Soviet thesis was that, without détente, the consequences might well have been very much worse.<sup>8</sup>

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<sup>7</sup> *Pravda*, October 18, 1974.

<sup>8</sup> Henry Kissinger's press conference, November 21, 1973, *Department of State Bulletin*, December 10, 1973, pp. 760-7; A. K. Kislov, "Vokrug blizhevostochnogo krizisa" (About the Near Eastern crisis), *S.Sh.A.: Ekonomika, Politika, Ideologiya*, January, 1974, pp. 20-27.



Since the October war, with the United States taking the lead in promoting negotiations for an Arab-Israeli settlement and undercutting the Soviet position in Egypt, Soviet policy has been ambiguous. If the Arabs made political gains from the war and succeeded in putting the question of the Israeli-occupied territories on the active international agenda, their Soviet patron did not make corresponding gains. Even the humiliation of the West at the hands of the oil-producing countries, loudly applauded in Moscow's propaganda, did not bring tangible political benefits, and Iraq remained the only pro-Soviet country on the Persian Gulf. The reentry of the United States into some key countries of the Arab world, resuming the relations with Egypt, Syria, and Algeria that had been broken since 1967, posed a dilemma for Soviet leaders. They could cooperate with the United States in the search for a settlement, encouraging the moderate line represented by President Anwar Sadat in Egypt and President Hafez al-Assad in Syria, or they could cast their lot with the radical Arabs trying to sabotage the American effort.

In fact, Soviet leaders temporized. Without giving the United States any credit for it, they accepted as steps toward peace the cease-fire and separation-of-forces agreements worked out by Kissinger between

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## CONTINUITY AND CHANGE IN SOVIET IDEOLOGY

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When one takes into account the glaring inequalities of Soviet society and the party's simultaneous self-congratulation for the relative economic well-being of Soviet workers and denunciation of "consumerism," the governing elite's approach to the working class appears as a twentieth century variant of "Tory democracy." Instead of Marx's dream of the freely self-fulfilling worker, the "new man" adumbrated in *The German Ideology*, the current Soviet leadership seeks to inculcate a "work ethic" strikingly similar to the old German characteristic of *arbeitswut*, "an obsessive compulsion to work for the emotional satisfaction that it gives."<sup>32</sup> That Soviet-society falls far short of this ideal is only too obvious; Soviet labor productivity remains notoriously low by Western standards. But maintenance of the progressively elite-oriented, super-bureaucratized Soviet society is heavily dependent upon the willing acceptance by the working class of its assigned role.

<sup>32</sup> Lewis J. Edinger, *Politics: Germany* (Boston: Little, Brown, 1968), p. 35.

## IDEOLOGY AND THE LEADERSHIP

The Twenty-fifth Party Congress, set for February, 1976, may be expected to refine further the doctrinal revisions advanced in recent years. No radical departures from the present course should be anticipated, however, since the ideology espoused by the leadership reflects systemic requirements arising from the three most significant phenomena in contemporary Soviet politics: the "crisis of legitimacy," the organizational interests of the "new class," and the rise to Superpower status. Domestic ideological vulnerability continues, but the "crisis of legitimacy," which peaked between 1968 and 1973, appears to have been largely contained. Dominant sociopolitical elites, now justified by the anti-Marxian permanence of the division of labor, seem more firmly entrenched than ever. Meanwhile, in the international arena, recent ideological reinterpretation provides the theoretical underpinning for the Soviet Union's expanding imperial role. Domestic political legitimacy is now dependent in large measure on Soviet success in achieving the position of the number one power in the world.

The facile acceptance of détente in the West contrasts starkly with the explicit Soviet view of polar struggle. A realistic appraisal requires one to identify the ideological retooling discussed above as an essential part of a general rearmament aimed toward world hegemony for this bureaucratic-totalitarian system. The Soviet leadership has not mellowed with the maturation of the regime; it has simply become more powerful. ■

## THE CHANGING PATTERN OF SOVIET TRADE

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In addition, the quantitative share of imported high technology goods in the total annual production of non-construction investment durables in the Soviet Union cannot be very great. An estimate of 5 percent would certainly represent an upper limit and, as a consequence, dramatic increases in aggregate capital productivity stemming from the direct utilization of imported high technology equipment should not be anticipated.

Domestic resource savings associated with the importation of foreign consumers' goods are smaller than might be supposed. In assessing resource savings, consumers' goods exports must be offset against light industrial imports. While substantial in absolute ruble terms, the net import of consumers' goods to the Soviet Union is less than 1 percent of the total domestic light industrial product. Even this small percentage may represent a sizable psychic

gain to Soviet consumers, but the correlative resource savings cannot be decisive.

Making due allowance, then, for the offsetting character of these qualifications, from the standpoint of economic growth, the relative contribution of foreign trade depends primarily on the rapid diffusion of borrowed technology. Direct material flows and the efficiencies they engender are too small to be consequential. Thus, despite the new economic rationality of Soviet postwar foreign trade policy, technological diffusion rather than the precise volume, composition and distribution of traded goods is likely to be the arbiter of long-term Soviet economic performance. Since diffusion hinges on the responsiveness of the Soviet administrative apparatus, much will depend on whether the purposefulness exhibited by the Soviet Union in foreign economic affairs holds for domestic policy implementation ■

## SOVIET POLICY IN THE MIDDLE EAST

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meetings. In addition, the chairman of the Soviet delegation to the Geneva conference went to Amman to sound out Jordan's King Hussein. At that juncture—May and early June, 1975—Moscow's proposal for a settlement consisted of three basic propositions: (1) Israeli withdrawal from occupied territories; (2) firm guarantees of Israel's independence and territorial integrity; and (3) the establishment of a Palestinian state (presumably on the West Bank and in Gaza).

Not unexpectedly, the Kremlin ran into difficulties on all counts, with most of the parties concerned. Israel proved reluctant to part with much of the territory she had acquired in 1967. Promises of Soviet guarantees, while appealing to Jerusalem, were not sufficient to induce Israel to compromise what she considered the country's national security. Moreover, the manner and the timing of the Soviet proposal—made by Soviet Foreign Minister Andrei Gromyko at a dinner honoring the Syrian foreign minister—while dramatic in their impact—were not calculated to endear the U.S.S.R. to the Arabs.

The Kremlin was equally unsuccessful in its efforts to create a united Arab front. Iraq and Libya have persevered in their refusal to discuss anything but an unconditional Israeli withdrawal from all occupied territories. Further problems arose when even those Palestinian groups that favor cooperation with the U.S.S.R. were divided over whether to accept a truncated Palestinian state on the West Bank and Gaza in exchange for a recognition of Israel's right to exist as an independent state. Finally, some Arab leaders, including Sadat, showed marked reluctance to go to Geneva and preferred continued United States mediation of the Arab-Israeli dispute. They

felt that the Geneva conference would be useful only as a propaganda forum, but one whose likely failure would leave them no choice but to start another war.

Thus, having progressed from the position of a passive critic to that of an active participant and organizer, the Soviet Union soon discovered that, at this stage, little except meaningless propaganda "victories" could be expected from the Geneva meeting. In mid-June, the Soviet government announced that it had dropped its plans for an early reconvening of the conference. A decision on a new course of action was expected after the meeting between Kissinger and Gromyko, held in Geneva on July 10–11, 1975. However, judging from press reports, little progress was made. Thus, having seized the initiative in the wake of Kissinger's failure in March, Moscow had to abandon it in June. In the process, it tacitly admitted to another failure of Soviet diplomacy in the Middle East.

## CONCLUSION

On balance, it would appear that while the U.S.S.R. is not likely soon to lose its influence in the Arab world, Western fears of spectacular Soviet successes are often grossly exaggerated. In controlling arms deliveries to countries like Egypt, Syria, Iraq, the PDRY, Somalia, and, to a lesser extent, Libya and Algeria, the Kremlin has an ace in the hole that no Arab leader is likely to disregard; however, dependence in international politics is a two-way street. The donor can always back out of any given arrangement, but he can do so only at the risk of a severe strain in his relations with the recipient. In this instance, a cut-off of all military aid to any Arab state is bound to wipe out whatever advantages Moscow may have secured by means of previous programs.

In conclusion, an impartial observer must be amazed at the persistence with which the Soviet leaders have attempted to manipulate Arab politics in spite of the occasional danger (the increased threat of a war with the United States) and the frequent pitfalls inherent in such efforts and in spite of some painful lessons that the men in the Kremlin must have absorbed during their 20-year involvement in Arab affairs. It was probably unrealistic to expect the post-Stalin leadership to resist the temptation of active involvement in the Middle East—the rewards in the form of undermining Western positions and establishing Soviet influence were too alluring and the chances of gaining its objectives appeared reasonably good. But in 1975, even the most obtuse Soviet functionaries must face the fact that where others have failed they, too, are likely to fail. To "manage" the Middle East is a task beyond the ability of the outsiders, especially when they insist on working at cross-purposes. ■

## SOVIET-AMERICAN RELATIONS

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Israel and Egypt, and between Israel and Syria, in 1974. And although Kissinger did not find them at all helpful as he went on with his step-by-step diplomacy, neither did they go all out to wreck it. They seemed content to wait until he ran into trouble. Then the Soviet Union could come forward, as co-chairman (with the United States) of the Geneva conference, to take the leading role to which it was entitled and to recoup its sagging fortunes.

Meanwhile, Soviet leaders did not neglect any opportunities to increase their influence in the Arab world—compensating for losses in Egypt by stepping up arms deliveries to Syria, moving into Libya on the basis of a big arms deal, consolidating relations with Iraq, encouraging the Palestinian organizations, and keeping up a drumfire of public criticism of Israel. At the same time, they made clear their view that Israel (shorn of occupied Arab lands) had a right to exist as a sovereign state, and they stopped short of giving full recognition to the Palestine Liberation Organization as the legal representative of the Palestine Arabs.

While Soviet leaders were not foreclosing any options, it was clear that they saw real danger in a renewal of Arab-Israeli hostilities and were wary of the consequences of a breakdown of diplomacy. Thus, when Kissinger's efforts faltered in the spring of 1975, they favored neither a rush to Geneva (which obviously could not produce a settlement at that stage) nor a rush to war. The degree of Soviet-American cooperation, however, remained remarkably slight, in spite of Kissinger's periodic meetings with Soviet Foreign Minister Andrei Gromyko and his continuing informal conversations with the Soviet ambassador in Washington, D.C. Neither power wanted a new round of Arab-Israeli war, but they were unable to find a common approach to peace.

### ECONOMIC RELATIONS

No aspect of Soviet-American relations so intensified the discussion of détente, both between the two countries and within each of them, as that of trade, credits, and economic relations in general. The United States and the U.S.S.R. might have had good reason to reduce tension and increase cooperation on security grounds alone: to avoid military confrontation and a futile and exhausting arms race. But from the beginning, the idea of ending economic warfare, normalizing trade, and engaging in eco-

nomie cooperation was close to the center of the process of détente as seen from both sides.

For the Soviet Union, the desire for American goods, technology, and credits was a significant element in the decision to move from cold war to peaceful coexistence. The Soviet economy was having its problems, with a slowdown of growth in certain areas, the appearance of bottlenecks, the need for new techniques of management and for new technology as certain parts of the economy moved into the post-industrial age, and a reluctance to undertake fundamental economic reform that would have eased some of those difficulties. Moreover, Soviet leaders faced immense problems in developing major resources of oil, gas and other materials located in Siberia. This they could do in time by themselves, but they would save years if they could call on the capital and technical help of the West. An additional factor in the Soviet desire for more normal and active economic relations was the need to go into the markets of North America for large quantities of grain in times of poor domestic harvests. And on the side of political pride and prestige, they wanted to get rid of the existing barriers to trade that Moscow saw as discriminatory, especially the denial of most-favored-nation treatment (MFN) to Soviet exports.

### THE U.S. POSITION

On the American side, the motivation was less strong. American businessmen wished to trade with the U.S.S.R. and East Europe, seeing no reason why all the business should go to their European and Japanese competitors. As far as the government was concerned, the security argument for export controls on all but items of direct military usefulness had come to seem less and less valid. And the restoration of MFN to the U.S.S.R., which had been taken away at the height of the cold war, would be in keeping with the general atmosphere of normalization. And so, after President Nixon's visit to Moscow in 1972, a comprehensive trade agreement, including MFN, was negotiated and signed in October of that year.

Discussion of that agreement in the United States Congress, which decided to deal with the MFN question in the pending general legislation on trade, ignited a debate in the United States on the whole subject of détente. Senator Henry M. Jackson (D., Wash.) led those who were skeptical about détente in general and were reluctant to grant MFN to the Russians without getting something in return. The something that they sought was not a concession in the economic field but a commitment from the Soviet government on freedom of emigration from the U.S.S.R., a demand aimed at increasing the flow of Soviet Jews who wished to leave but had been forbidden to do so. The story of the Jackson amendment to the trade act is a long one.<sup>9</sup> All that needs

<sup>9</sup> See Joseph Albright, "The pact of two Henrys." *The New York Times Magazine*, January 5, 1975, pp. 16ff.



be said here is that the administration opposed the amendment, arguing that the aim was more likely to be accomplished if it was pursued by quiet diplomacy instead of by putting legislative conditions on an international agreement. The administration then tried to bridge the gap by a complicated exchange of letters tied to the legislation. Finally, it had to accept the passage of a provision of the trade act requiring periodic review of freedom of emigration by the President and by Congress, on whose approval the continued MFN would depend. At the same time, Congress put a limit of \$300 million on government loans and guarantees that could be granted to the U.S.S.R. without specific congressional approval.<sup>10</sup> The result of these steps was an angry Soviet rejection, in January, 1975, of the entire trade agreement on the grounds that such interference in Soviet internal affairs could not be tolerated.

The Soviet reaction should not have been unexpected. It was surprising that Soviet leaders went as far as they did in talking with the United States about the emigration question and in actually letting Soviet Jews emigrate (some 35,000 left the U.S.S.R. in 1973). Strict control of the movement of individuals is part of the Soviet system. In these matters, the Soviet government would not be held to any standard of performance arbitrarily determined by a foreign power, which could then suspend a valid international agreement at will. This was an ideological as well as a legal issue, and threatened the always clear Soviet approach to détente: economic cooperation regardless of social systems, but no compromise on questions of ideology.

The effects of the demise of the trade agreement were not shattering. Moscow continued to be interested in trade, and in the summer of 1975 again entered the American market to buy quantities of grain. The limit on Exim-Bank credits was galling, but the U.S.S.R. had considerable cash reserves for the purchase of American goods. The ambitious projects for the development of resources in Siberia, some of which had been under negotiation with United States companies, could hardly go forward without large United States government credits and guarantees of private credit. But those projects were beginning to look more and more doubtful as the huge capital requirements for the development of energy sources in the Western world became apparent. As for MFN, both governments were prepared to let the matter rest for a while until the time might be ripe for the Ford administration to take it up again with Congress.

The experience of the Jackson amendment pointed up significant differences in American approaches to détente. If the United States had bargaining power with the U.S.S.R. in the economic field, one key question was how to use it, and a second question was, for what end. Senator Jackson favored putting the conditions bluntly to the Soviets: concessions on Jewish emigration in return for concessions on trade. Kissinger favored making the concessions on trade in an atmosphere that would make possible informal understandings, and some action, on emigration. Jackson may have been frustrated because he did not get more Jews out of Russia (and the rate of emigration turned sharply down in 1974 and 1975), but he had the satisfaction of knowing that MFN and big credits were still denied. Kissinger's thesis was not proved one way or the other.

On the second question, the purpose of exercising leverage, some critics pointed out that it was a mistake to use bargaining power in an attempt to influence Soviet practice in a domestic matter that was peripheral to the major foreign policy interests of the United States; far better to bargain to induce a modification of Soviet international behavior or to obtain concessions in an area like the Middle East.<sup>11</sup> But so much was made of the emigration question, and the related subject of the general denial of human rights in the Soviet Union, that little attention was paid to other possibilities.

### DÉTENTE IN THE LARGE

Looking at the composite picture of United States-Soviet relations in mid-1975, Brezhnev and his colleagues appeared to be sufficiently satisfied with détente to keep on with it. The Helsinki meeting and the declaration signed there they clearly counted as a political triumph. A new meeting with President Ford, possibly to conclude SALT II, was scheduled for the fall of 1975. The socialist world was in fairly good order while the bourgeois world was in disarray, possibly in a life-or-death crisis, starkly revealed by its vulnerability to pressure from the oil countries. Meanwhile, capitalist goods and technology were aiding the Soviet economy. China was troublesome but was contained for the moment, and a turn for the better might follow the end of the Mao era in Peking. The planned meeting of European Communist parties later in 1975 would capitalize on the impressive Communist gains being scored in West Europe, and would probably be followed by a world conference of Communist and workers' parties. These meetings would demonstrate the growing power of Moscow-led socialism and would rally the cohorts against American imperialism and Maoist heresy. Much of this happy state of affairs could be ascribed to détente, or rather to an astute combination of eased tensions, hard bargaining, and

<sup>10</sup> Public Law 93-618, 93d Congress H.R. 10710, January 3, 1975, "Trade Act of 1974," sections 402,613.

<sup>11</sup> See statement of Marshall D. Shulman before the U.S. Senate Committee on Foreign Relations, August 21, 1974.



sheer persistence. It seemed likely that the Twenty-fifth Party Congress, scheduled for the spring of 1976, would celebrate both the success of the policy of peaceful coexistence and the advances made in the struggle for socialism.

The actual picture was somewhat murkier. In 1975, détente was losing some of its gloss. The entire CSCE performance was something of a charade, and the declaration could easily be blown aside by the dynamics of European politics, East or West. Both SALT and MFR bid fair to become a ritual for doing nothing on arms control and disarmament. Events in the Middle East were beyond Moscow's control and might soon be beyond that of Washington as well, unless the United States and the U.S.S.R. could act effectively together. The deadly combination of local conflicts and superpower competition could produce unmanageable situations of crisis in the Mediterranean, the Persian Gulf and the Indian Ocean, or in Korea. The Soviets had also to face the likelihood that the more they turned détente to their unilateral advantage, the more they would encourage the prospect of an American-Chinese alignment against them—the nightmare that had had much to do with their adopting détente in the first place. Finally, in economic matters, the dispute over MFN left a sour taste on both sides, and the volume of trade, after soaring well over one billion dollars in 1973 (swollen by Soviet food purchases), began to fall off.

Criticism of détente in the United States, as its mixed results became more apparent, became rather broader and sharper. There had always been a body of opinion opposed to any concessions to the Soviet Union—composed of conservatives, militant anti-Communists, elements of the labor movement and of the American Jewish community, those denoted as reactionaries and warmongers in Soviet descriptions of the American scene. And there was a body of opinion at the other end of the spectrum favoring rapprochement with Moscow on general principles, often critical of past United States policies, and full of faith in the beneficent effects of an atmosphere of cooperation. From the large group in the center, wanting to turn away from the cold war and more or less inclined to follow the administration, a greater tendency to question and to criticize appeared.<sup>12</sup>

The criticism was partly an expression of concern that the United States was getting the worst of the bargaining, especially with regard to trade and the

provision of advanced technology but also with regard to East Europe and other matters. If Soviet leaders wanted concessions as badly as they seemed to, why did we accept insubstantial concessions in return? The criticism also focused in part on the moral question of human rights. Eased relations on the international level were accompanied by a tightening of controls and repression of dissent within the Soviet Union. Although critics generally recognized that the United States could not change such conditions through political pressure, they raised questions about the benefits accorded to the Soviet regime and about the propriety of high-level friendliness with those responsible for the massive violation of the rights and freedom of individuals, not to speak of the freedom of subjugated nations. Eminent Russians like Andrei Sakharov and Alexandr Solzhenitsyn begged the United States not to make concessions to Moscow. The impact of their pleas was impossible to measure, but it was not negligible, although Solzhenitsyn's call for a full-scale return to the cold war found few adherents.

Secretary Kissinger defended the administration's policy by taking the long view. Without fear of contradiction, he continued to maintain that military facts compelled the United States to seek a constructive relationship with the U.S.S.R. as the alternative to tension and possible nuclear war. He maintained also that progress in one area of negotiation adds momentum to progress in other areas. He specifically defended the CSCE exercise as, on balance, a contribution to peace. He insisted that United States bargaining power should not be overestimated; to secure benefits for the United States we had to see benefits go to the Soviet Union; in the end, there would be benefits common to both. Above all, it was necessary to cooperate while the opportunity for cooperation was still open.<sup>13</sup> To this, some critics replied that some of the more recent measures of cooperation added to the volume of transactions without regard to their quality, and that the frequency of high-level meetings seemed to vary inversely with their substantive achievements.

On one point Kissinger and his critics agreed: the relationship with the U.S.S.R. was not the totality of United States foreign policy. The Soviet-American relationship was central to the global military balance and to security, but the challenging problems of the day involved working with the advanced democratic countries and the developing countries to cope with the forces of change and to lay the foundation for a constructive international political and economic order. Giving primary attention to those problems, rather than to the more ephemeral aspects of détente, may be the most promising path toward a long-term relationship with the Soviet Union that is rooted in stability and mutual respect. ■

<sup>12</sup> This tendency has been noted, and condemned, by Soviet observers. See Yu. F. Oleshchuk, "O teorii ograni-chennoi razryadki" (On the theory of limited détente), *S.Sh.A.: Ekonomika, Politika, Ideologiya*, April, 1975, pp. 3-12.

<sup>13</sup> Statement to the U.S. Senate Committee on Foreign Relations, September 19, 1974.

## THE EVOLVING SOVIET STRATEGIC THREAT

(Continued from page 125)

the Soviets will eventually be able to pose a serious threat to upgraded MINUTEMAN silos with a force of around 300 SS-18's, leaving the remaining 1,000 SS-17's and SS-19's available for a wide variety of supplementary targeting and coercive tasks.<sup>14</sup>

In SLBM capabilities, the Soviet Union is also making impressive strides. With the introduction of the new SS-N-8 missile with its 4,800-mile range, the Soviets have begun to acquire what, for all practical purposes, is a sea-going ICBM. This can be fired far away from United States shores and can thereby avoid American ASW capabilities where they are most heavily concentrated. Even the obsolescing SS-N-6 SLBM carried on the Soviet YANKEE-class nuclear submarine has capabilities against the United States, particularly against its alert bomber force if it is successfully launched close-in in a depressed trajectory mode to catch the aircraft on the ground with insufficient warning time to get airborne.<sup>15</sup>

The Soviet bomber force, easily forgotten or discounted in the age of strategic missilery, also has an important operational capability against the United States in the event of a major war. The supersonic BACKFIRE B now entering the force is believed to be intended primarily for peripheral targeting missions against Europe and possibly China. But it also poses a threat to the continental United States, a highly credible threat indeed if it is eventually integrated with a tanker fleet that can provide in-flight refueling. Moreover, unlike the Soviet Union, whose extremely dense air defense network of fighter-interceptors and surface-to-air missiles confronts American strategic planners with a thorny (but not insurmountable) bomber penetration problem, the United States has virtually no active air defense

capability whatever. Thus it offers the Soviet Union an almost free ride if Soviet leaders employ the Soviet bomber force in an intercontinental attack role. Moreover, in a nuclear war, Soviet bombers attached to Soviet naval air forces, in conjunction with the SS-NX-13 antishipping SLBM and the prospective Soviet ocean-surveillance satellite capability, could pose a serious challenge to United States surface naval forces like aircraft carriers (and possibly SLBM submarines as well).

### EMERGING SOVIET STRATEGIC POWER

The principal theme that emanates from this cursory overview of Soviet strategic capabilities is the unprecedented richness of the evolving Soviet force posture and the broad range of potential options it confers on the Soviet leadership for use in possible confrontations. During the 1960's, despite the heavy counterforce orientation and war-waging emphasis of Soviet military doctrine, the Soviet Union possessed little more than an "assured-destruction" retaliatory posture. It certainly had nothing even approaching the variegated nuclear force structure that would actually have been required to implement its strategy. Today, the asymmetry between Soviet doctrine and capability has begun to erode with the current and impending introduction of large quantities of MIRVed systems into the Soviet stable of weaponry. The Soviet Union is now on the threshold, for the first time in its history, of acquiring a credible nuclear-war-fighting capability.

In the United States, it has traditionally been characteristic to treat the strategic balance mechanistically, studying comparative *numbers* of weapons rather than concentrating on the more important factor of the relative *strength* that those numbers provide. The Soviet style, in contrast, rejects this arithmetical fixation on the static indicators of strategic power in favor of a perspective that focuses on the dynamic capabilities of nuclear forces in warfare. Maintaining an image of parity with the United States in aggregate strategic forces is undeniably important to the Soviets for political and diplomatic reasons. But the Soviet defense planning community is apparently far more interested in the ability of those forces to fight successfully. Obviously, an important part of that ability is the possession of an adequate hardware base, and the Soviets give every indication of trying vigorously to acquire that base. But even more important, in the Soviet view, is the mating of that hardware base with a rigorous and systematic strategy for the application of force. The strategy has been a matter of record for years. What is novel—and highly discomfiting to American strategic planners—is the belated development of a Soviet arsenal seemingly tailored to the strategy.

<sup>14</sup> *Air Force Magazine*, March, 1975, p. 73.

<sup>15</sup> Although the Soviets have reportedly not yet demonstrated depressed-trajectory flight testing of their SLBM's, it is believed to be easily within their technical capacity to do so. In this connection, it is interesting to note the recent Soviet deployment of a YANKEE-class missile submarine off its normal patrolling area in the mid-Atlantic and into an area around 350 miles off the New England coast. Although this unprecedented event is open to a wide variety of interpretations, one may speculate that it was operationally linked to a nascent and exploratory Soviet interest in the possible utility of employing the SS-N-6 for short-range attacks against United States bomber bases. (See "Soviet Missile Sub Detected Closer to U.S. Coast Than Ever Before," *The Los Angeles Times*, June 10, 1975.) Offsetting this possibility, however, is the fact that any such Soviet forward deployment of SLBM submarines en masse during a nuclear crisis would doubtless be noted in ample time by American ASW detection capabilities to permit the bomber force to get off the ground before the submarines were in a position to launch their missiles.

Aside from physically enhancing the military underpinnings of Soviet power, this suggests an exception to the general axiom that Soviet military doctrine lags behind innovations in weapons technology.

It is possible, of course, that this threat is only one of a number of alternatives. Soviet military doctrine serves many purposes other than prescribing "rules of engagement" for the Soviet armed forces in war. Military doctrine provides bureaucratic rationalization for Soviet weapons system procurements in the highly competitive arena of economic resource allocations. It galvanizes the morale of the armed forces and gives them a sense of continued mission in an age of nuclear deterrence when the overriding imperative of Soviet survival is to avoid wars rather than to wage them. Finally, Soviet military doctrine projects a credible external image of Soviet military prowess and thereby enhances the deterrent role and psychopolitical effect of Soviet strategic power in Western perceptions.<sup>16</sup>

Additionally, the emerging Soviet strategic arsenal is becoming sufficiently versatile and abundant to underwrite a whole range of specialized strategies and options in addition to the massive pre-emption scenario. Although Soviet leaders publicly continue to reject the concept of limited nuclear operations now being assimilated into United States strategic programs and plans, their force posture is progressively acquiring a plausible capability for conducting such operations. There is no *prima facie* reason, therefore, to dismiss out of hand the possibility that the Soviet leadership might give careful consideration to the idea of selective and restrained targeting in a gradually escalating crisis if blind adherence to the tenets of formal Soviet doctrine seem inappropriate or dangerous.

### THE POWER OF THE INITIATIVE

If, however, Soviet leaders chose to follow the edicts of their declared military philosophy and proceeded with massive pre-emptive operations, there is a disturbing possibility that they could do so with devastating effectiveness. Many American arms control and defense intellectual circles have assumed that such Soviet operations would be doomed from the start (and hence ultimately deterred) because the United States would retain a surviving retaliatory force of sufficient size to inflict unendurable retribu-

tive harm on Soviet society. Yet the important question in a real conflict situation would not be whether the United States had the ability to take such retributive action, but whether its leadership, under the circumstances, would have the reason and resolve to do so. In the arcane and computerized world of abstract arsenal exchange modelling, it is all too easy for analysts to become fixated on the notion that strategy is simply a matter of comparative statistics. They tend to forget the overwhelming power of the initiative and the enormous advantages that would potentially accrue to the side that struck first in nuclear war. The emerging Soviet nuclear force posture, if operationally mated with the concepts of Soviet doctrine and actually unleashed, stands perilously close to comprising an unbeatable combination. This threat can be contained only by a countervailing United States nuclear posture and strategy that provide reasonable assurance that the Soviet threat will never be implemented. The realization of this challenge and the determination to cope with it successfully, underlie the dynamic changes now under way in American nuclear force structure design and strategic contingency planning.<sup>17</sup>

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## BOOK REVIEWS

(Continued from page 142)

from the Bolshevik party of Lenin, its high water period during the Revolution of 1917, and its decline.

**THE ESSENTIAL KROPOTKIN.** EDITED BY EMILE CAPOUYA AND KEITHA TOMPKINS. (New York; W. W. Norton and Company, Inc., 1975. 296 pages, \$12.50.)

The editors have made a judicious selection of the writings of Prince Peter Kropotkin, one of the more interesting anarchist philosophers of the 19th century.

**FROM UNDER THE RUBBLE.** BY ALEXANDER SOLZHENITSYN, MIKHAIL AGURSKY, A.B., EVGENY BARABANOV, VADIM BORISOV, F. KORSKOV AND IGOR SHAFAREVICH. (Boston: Little Brown and Company, 1975. 308 pages and index, \$8.95.)

Written by six dissident colleagues still living in the U.S.S.R. and Alexander Solzhenitsyn, this book is an attack on the Soviet regime and an indictment of the nations of the West.

**PROFILES IN RUSSIAN RESISTANCE.** BY IRINA KIRK. (New York: Quadrangle/The New York Times Book Co., 1975. 297 pages, \$10.75.)

The author interviews 19 self-exiled Russian dissenters.

<sup>16</sup> For further discussion of the diverse roles of Soviet doctrinal writings and pronouncements, see Benjamin S. Lambeth, "The Sources of Soviet Military Doctrine," in F. B. Horton, A. C. Rogerson, and E. L. Warner III (eds.), *Comparative Defense Policy* (Baltimore: Johns Hopkins University Press, 1974), pp. 200-216.

<sup>17</sup> One of the best available descriptions and explanations of this highly controversial and widely misunderstood United States policy reorientation is offered in William R. Van Cleave and Roger W. Barnett, "Strategic Adaptability," *Orbis*, vol. 28, no. 3, Fall, 1974, pp. 655-676.



## SOVIET POLICY IN EAST EUROPE

(Continued from page 128)

and military competition. Yet détente has apparently affected intra-CMEA political relations to the extent that the Soviet pursuit of a positive image in the West moderates their tactics if not their ultimate goals.

Given the renewed emphasis on cooperation in the CMEA and the evolution of détente, how can the progress of the socialist commonwealth be assessed? It seems evident that since 1968 the U.S.S.R. has reasserted its guiding role in East Europe. It has succeeded in maintaining a common foreign policy orientation within the CMEA (with the exception of Romania) on all major issues and has also contributed the basic framework in CMEA's Complex Program for the future of East European integration. Despite some persistent practical and technical problems in coordinating economic activities, the CMEA countries do appear to be implementing plans for cooperation and specialization.<sup>10</sup> Even the Romanians have found it impossible to ignore developments in this area and are forced by circumstances to participate in projects that they initially opposed. In addition, East European dependence on Soviet resources serves to reinforce the interdependence within the bloc.

There is evidence of increasing policy coordination in other areas as well. For example, specialists in international politics and the social sciences in general meet regularly to discuss the coordination of research on practical problems in the development of socialism and the ideological struggle with the West.<sup>11</sup> More important are meetings of the Central Committee secretaries from the CMEA countries to coordinate "the deepening ideological cooperation among fraternal parties" in the expanding ideological struggle with capitalism during the era of détente.<sup>12</sup>

<sup>10</sup> The extent of product specialization is difficult to measure precisely. Rough estimates were cited to Roger Kanet in discussions with economists in East Europe in late spring, 1975. These indicated that approximately 20 percent of the East German machinery output is based on specialization agreements, and that for both Bulgaria and Poland, 30 percent of the output of machinery and equipment is based on such agreements. To repeat, these represent estimates, and give no indication of the basis for specialization—i.e., "specialized" output may actually differ from "un-specialized" only in relatively minor details.

<sup>11</sup> See, for example, Piotr Fedoseev, "Cooperation Among Social Scientists," *New Times* (Moscow), no. 9 (1975), pp. 18–19.

<sup>12</sup> Reported in "Central Committee Secretaries' Prague Meeting," Radio Free Europe Research, *RAD Background Report/56 Eastern Europe* (March 26, 1975).

<sup>13</sup> See Kevin Devlin, "The International Communist Movement: European Communist Conference," Radio Free Europe Research, *Survey of East European Developments, October–December, 1974, Background Report*, no. 5 (January, 1975).

Yet in spite of renewed emphasis on creating a coordinated political and economic community within East Europe, evidence of divergent interests is still substantial. As noted earlier, the attraction of expanded trade with the West conflicts with the goal of an integrated economic bloc. Moreover, although numerous specialization agreements have been signed among CMEA members (most of a bilateral rather than a multilateral nature), the share of industrial production based on such agreements remains relatively small.

In political terms, Soviet disputes with Romania at the European Conference on Security and Cooperation and in preparatory meetings for an all-European conference of Communist parties indicate that not all East European Communist parties view their interests in the same manner as do the Soviets.<sup>13</sup> In effect, the major problem for the Soviets at Geneva and Helsinki was posed not by the Western participants but by Romanian calls for the elimination of military alliances in Europe, to permit small countries to pursue independent foreign policies.

What, then, are the prospects for Soviet-East European relations in the foreseeable future? First, and most clearly, it appears that East Europe will continue to follow the Soviet lead in foreign policy (with the exception of the Romanians, who will continue to pursue their own interests, although with careful concern for Soviet responses). Second, East Europe's rate of economic growth will most likely be slowed as a result of the recent change in the pricing structure of intra-CMEA trade. Although the Soviets appear willing to continue to provide for East European energy and raw materials needs, at least to a point, they have indicated their unwillingness to do this without exacting a greater economic, and possibly political, payment in return. Third, the events of the past few years show clearly that détente and expanded East-West relations are unlikely to encourage domestic liberalization in East Europe or the Soviet Union. Retrenchment from economic reform, the "vigilance campaigns" against the possible domestic impact of expanded East-West relations, and the virtual refusal by the Communists at the Geneva meetings to respond to Western demands for expanded cultural contracts, all point away from such a development. On the whole, the immediate future seems to offer "more of the same" in Soviet-East European relations, with the Soviets, if anything, in a stronger bargaining position vis-à-vis their allies as a result of their economic strength. In the long run, the gradually increasing emphasis on specialization, coordination and interdependence within the CMEA appears to promise the emergence of a more strongly interrelated network of economic and political ties in East Europe.



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# THE MONTH IN REVIEW

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*A CURRENT HISTORY chronology covering the most important events of August, 1975, to provide a day-by-day summary of world affairs.*

## INTERNATIONAL

### Asian Free Trade Zone

Aug. 5—Representatives of 8 underdeveloped Asian nations, India, South Korea, Laos, the Philippines, Sri Lanka, Thailand, Pakistan and Bangladesh, agree on multilateral tariff concessions among themselves as a first step toward an Asian free trade zone. The agreement was initialed on July 31 and must be ratified by the governments involved.

### Conference on Security and Cooperation in Europe (CSCE)

(See also *U.S., Foreign Policy*)

Aug. 1—Representatives of 35 nations end a 3-day conference in Helsinki, Finland, by signing a 30,000 word "final act" of the Conference on Security and Cooperation in Europe; the pact recognizes the present, post-World War II borders of the European states.

### Cyprus

Aug. 1—In Vienna, leaders of the Greek Cypriotes and Turkish Cypriotes reach an agreement on the transfer of minority groups on the island. 9,000 Turkish Cypriotes in the south will move to the Turkish-held northern section and 10,000 Greek Cypriotes living in the north will be permitted to remain there and will be joined by 800 Greeks from the south.

### International Monetary Fund (IMF)

Aug. 7—The International Monetary Fund announces the establishment of a new \$177-million fund to subsidize the interest rates on money drawn by the world's poorest nations to pay for the higher cost of imported oil.

### Lima Conference

Aug. 25—In Lima, leaders and foreign ministers of 80 nonaligned countries meet to unify their demands that are to be presented at the 7th special U.N. session on economic development and cooperation and the forthcoming General Assembly.

Aug. 26—Delegates vote to give full membership to North Korea, North Vietnam, and the Palestine Liberation Organization in the nonaligned group.

Aug. 28—Arab delegates, at Egypt's urging, agree not to press their demands for Israel's expulsion from the U.N.

### Middle East

(See also *U.S., Foreign Policy*)

Aug. 12—U.S. Secretary of State Henry Kissinger meets with Israeli Ambassador to the U.S. Simcha Dinitz in Washington, D.C., and relays the latest Egyptian reaction to negotiations for an Egyptian-Israeli Sinai agreement.

Aug. 14—Diplomatic sources report that Israel is willing to return the Abu Rudeis oil fields to Egypt; it is also reported that the U.S. will guarantee Israeli oil needs.

Aug. 15—After 4 days of negotiations, U.S. and Israeli diplomats complete the draft language for a new agree-

ment between Israel and Egypt on those points already agreed upon between the 2 countries.

Aug. 17—U.S. President Gerald Ford assigns Secretary Kissinger "a critically important mission" to the Middle East: Kissinger will leave on his expected 10-day journey on August 20 to seek "a successful conclusion" to the latest negotiations for a new separation of opposing forces in the Sinai.

Aug. 19—The U.S., Egypt, and Israel agree to support an independent peace-keeping force in Sinai if the U.N. should unexpectedly refuse to renew the presence of U.N. troops in the buffer zone.

Aug. 21—Secretary of State Kissinger arrives in Israel to begin a series of talks with leaders of the Middle East countries.

Aug. 23—After talks with Egyptian President Anwar Sadat, Secretary Kissinger leaves Egypt and flies to Damascus for talks with Syrian President Hafez al-Assad. He informs Assad that Israel is ready to negotiate with Syria after she reaches an agreement with Egypt on Sinai.

Kissinger flies to Israel for a meeting with Israeli Premier Yitzhak Rabin.

Aug. 24—Egypt reportedly agrees to allow Israeli technicians to continue to man an early-warning system in the Sinai. In exchange, Israel agrees to vacate the Gidi and Mitla mountain passes and return the Abu Rudeis oil fields, all taken in the 1967 war.

Aug. 27—American officials report that differences in the Egyptian-Israeli accord have been reduced to 2 or 3 points; the agreement is expected to be initialed early next week.

Aug. 29—Israeli Foreign Minister Yigal Allon says "one of the central conditions" for a disengagement agreement is that the U.S. will agree to allow American technicians to man observation posts in the Sinai.

Aug. 30—The Soviet Communist party newspaper, *Pravda*, criticizes the pending Egyptian-Israeli agreement as further complicating the situation in the Middle East.

### Organization of African Unity (OAU)

Aug. 1—The Organization of African Unity members, meeting in Kampala, Uganda, adopt a resolution "to reinforce the pressure exerted on Israel at the United Nations and its specialized agencies, including the possibility of eventually depriving it of its membership" in the U.N.; this resolution is a rebuff to the Arab nations' demand for a resolution expelling Israel.

### United Nations

(See also *Intl, Middle East, OAU*)

Aug. 6—The U.N. Security Council refuses to consider an application for U.N. membership from South Korea.

Aug. 11—In the Security Council, U.S. representative Daniel P. Moynihan vetoes the applications for membership from North and South Vietnam. This is the 1st time the U.S. has used its veto to block an application.

Aug. 18—The Security Council unanimously recommends

the admission of 3 former Portuguese colonies to membership in the U.N.; they are Mozambique, Sao Tome and Principe, and Cape Verde.

### ARGENTINA

- Aug. 4—After a 2-week absence, President Isabel Martinez de Perón returns to her office.
- Aug. 6—President Perón wins the support of 145 Peronist legislators in the Chamber of Deputies for her choice of Speaker of the House.
- Aug. 10—For the 4th time this year, the government devalues the peso; the peso is devalued from 35.40 per U.S.\$ to \$42.50 per U.S.\$.
- Aug. 11—For the 3d time in a month, President Perón reshuffles the Cabinet. Colonel Vicente Damasco becomes the minister of the interior.
- Aug. 24—Delegates to the party congress re-elect President Perón as head of the Peronist movement. Before the vote is taken, 118 of the 238 delegates walk out of the congress to protest President Perón's government.
- Aug. 26—Army Commander General Numa Laplane, under pressure from members of the military, submits his resignation. President Perón refuses the resignation. Also under military pressure, Minister of the Interior Colonel Vicente Damasco resigns.

Leaders of the General Confederation of Workers call on the members to be ready to defend the government against a possible military uprising.

- Aug. 28—Under pressure from the armed forces, President Perón appoints General Jorge Videla as commander in chief of the army.

In Tucumá, an army plane carrying an antiguerrilla force explodes, killing 4. The Montoneros, a left-wing Peronist group, claims responsibility for the bombing of the plane.

### BANGLADESH

- Aug. 15—President Sheik Mujibur Rahman is overthrown and killed in a military coup d'état.
- Martial law and a 24-hour curfew are declared.
- Former Commerce Minister Khondakar Mushtaque Ahmed is sworn in as President. He appoints a 10-member civilian Cabinet.
- Aug. 21—Abu Sayeed Chowdhury is sworn in as foreign minister.
- Aug. 23—The government expels all foreign correspondents. All out-going press reports are censored.

### CAMBODIA

- Aug. 3—Phnom Penh and Hanoi radio broadcasts report that top-level discussions between officials of North Vietnam and Cambodia took place in Phnom Penh at an undisclosed date, the first meeting between the 2 countries since the fighting ended in Indochina this year.
- Aug. 13—Phnom Penh radio announces the appointment of Son Sen as deputy minister of defense, and Ieng Sary as deputy minister of foreign affairs.
- Aug. 15—A delegation of Communist leaders arrives in Peking for talks with Chinese officials; they are met at the airport by China's 1st ranking deputy premier, Teng Hsiao-Ping.
- Aug. 18—The Chinese press agency reports that Chinese and Cambodian leaders have signed an agreement on economic and technical cooperation. No details are given.
- Aug. 19—Deputy Premier Khieu Samphan arrives in North Korea. *The Times* (London) reports a secret

meeting between Samphan and Prince Norodom Sihanouk, the nominal head of state of Cambodia who has been in North Korea since May.

### CANADA

- Aug. 6—The Ministry of Industry, Trade and Commerce announces the end of import quotas on livestock coming from the United States. The U.S. also abolishes its import quotas on Canadian livestock.
- Aug. 13—The Canadian Wheat Board announces a 3d agreement to sell wheat to the Soviet Union, bringing the total value of wheat sold to the U.S.S.R. this year to more than \$1 billion.

### CHINA

(See also *Cambodia; North Vietnam*)

- Aug. 1—*The New York Times* reports that all the top military commanders appeared at a banquet July 31; this is the 1st time they have appeared together publicly since former Defense Minister Lin Biao died in 1971.

### COLOMBIA

- Aug. 6—Donald E. Cooper, an American executive of Sears, Roebuck, a U.S.-owned department store chain, is kidnapped from his home in Bogota.

### COMORO ISLANDS

- Aug. 3—The National United Front, led by Ali Soilih, takes control of the government in a coup d'état. Soilih, former minister of public works, favors close relations with France.
- Aug. 11—A 13-member National Executive Council is formed, representing all 4 islands. Prince Said Mohamed Jaffar is the new chief of state.

### CUBA

(See *U.S., Foreign Policy*)

### EGYPT

(See also *Intl, Middle East*)

- Aug. 2—The government signs an agreement with the European Economic Community (EEC) to purchase \$750 million worth of foodstuffs over the next 3 years.

### ETHIOPIA

- Aug. 27—Former Emperor Haile Selassie dies of natural causes. Before he was deposed in September, 1974, he had ruled for 50 years.

### FRANCE

(See also *South Africa*)

- Aug. 9—President Valéry Giscard d'Estaing confers in Kinshasa with Zaire President Mobutu Sese Seko.
- Aug. 28—In Corsica, following the 2d outbreak of violence between separatists and police, the government removes the regional administrator. He is replaced by a Corsican, Jean Riolacci.

### GERMANY, FEDERAL REPUBLIC OF (West)

- Aug. 1—In Helsinki, Polish Communist leader Edward Gierek and Chancellor Helmut Schmidt reach an agreement in which Poland will allow 120,000 to 125,000 ethnic Germans to emigrate to West Germany over the next 5 years. In exchange, West Germany will settle outstanding pension claims of \$500 million with Poland and will grant \$400 million in trade credits at low interest rates.

## GREECE

(See also *Intl, Cyprus Crisis*)

- Aug. 23—A 5-judge court sentences former President George Papadopoulos and 2 military officers to death by firing squad for their part in plotting the 1967 coup.  
 Aug. 25—The Cabinet decides to seek clemency for the men sentenced to death; it is asking a commutation of their death sentences to terms of life imprisonment.

## HONDURAS

- Aug. 16—President Juan Melgar Castro announces the cancellation of all contracts under which 2 U.S. companies, Standard Fruit Company and a subsidiary of United Brands, export bananas.

## INDIA

(See also *U.S., Foreign Policy*)

- Aug. 4—In London, opponents of Prime Minister Indira Gandhi claim that 55,000 to 60,000 people have been detained by the government since a state of emergency was declared June 25.  
 Aug. 8—Parliament approves a constitutional amendment that prevents the courts from reviewing any challenges to Gandhi's election; all challenges to a Prime Minister's election are to be submitted to a special parliamentary commission. The new law prohibits any lawsuit, civil or criminal, against anyone serving as Prime Minister, Speaker of the House, President or Vice President.  
 Aug. 11—The Supreme Court postpones for 2 weeks its hearing on the challenge to Prime Minister Gandhi's election.  
 Aug. 25—The Supreme Court begins to hear arguments on the constitutionality of the amendment that removed the courts' authority to hear a law suit challenging the election of the Prime Minister.

## ISRAEL

(See also *Intl, Middle East, OAU*)

- Aug. 1—A new income tax system goes into effect.

## JAPAN

- Aug. 2—Premier Takeo Miki leaves for a 10-day visit to the United States. He is expected to meet with U.S. President Gerald Ford.  
 Aug. 7—In Kuala Lumpur, Malaysia, 5 Japan Red Army terrorists release the remaining 15 hostages they have held since Aug. 4 when they seized a section of the U.S. embassy. The 5 terrorists, 5 members of the Red Army just released by the government from a Japanese prison and 4 hostages (2 Japanese and 2 Malaysian officials) fly to Libya in a Japan Air Lines jet.  
 Aug. 8—The Japan Air Lines jet lands in Tripoli, Libya. The 10 terrorists give themselves up to Libyan government officials and the 4 hostages are released.  
 Aug. 12—In Washington, D.C., it is announced that the government has arranged to buy from the U.S. at least 14 million tons of grain and soybeans over the next 3 years.

## JORDAN

(See *Syria*)

## LAOS

- Aug. 11—The government releases an American woman, Rosemary Conway, who has been held prisoner for 2 months.

- Aug. 23—Vientiane radio proclaims the complete takeover of the country by the Communist-led Pathet Lao as troops "liberate" Vientiane Province.

- Aug. 26—Leaders of the Pathet Lao regime issue a program of intentions which recognizes King Savang Vatthana and Premier Souvanna Phouma as well as the coalition government's National Political Council.

- Aug. 28—Acting Foreign Minister Phoune Sipraseuth announces the replacement of 185 American advisers with 1,500 Soviet technicians.

## MALAYSIA

(See *Japan*)

## NAMIBIA

(See *South Africa*)

## NIGER

- Aug. 2—Vice President Sani Souma Sido is arrested on charges of conspiring to overthrow the government of President Syni Kountché. The 2 men were responsible for the 1974 army coup that deposed President Hamani Diori as head of state.

## NIGERIA

- Aug. 5—A 22-member Supreme Military Council, the highest ruling body, is sworn in.  
 Aug. 6—Colonel Joseph Garba is appointed foreign minister.

## PERU

- Aug. 29—President General Juan Velasco Alvarado is ousted in a military coup. He is replaced by his Premier, General Francisco Morales Bermúdez.

## PHILIPPINES, THE

- Aug. 14—The government announces a cease-fire agreement with the rebel Muslim leaders of the Moro Liberation Front in southern Mindanao. Other rebel groups previously accepted government concessions to end the 5 years of fighting.

## POLAND

(See *Germany, West*)

## PORTUGAL

(See also *Intl, U.N.; U.S., Foreign Policy*)

- Aug. 2—President Francisco da Costa Gomes returns from the European security conference at Helsinki. He meets with the other 2 members of the newly appointed ruling triumvirate (Premier General Vasco Gonçalves and General Otelo Saraiva de Carvalho, head of the military security forces) in an attempt to form a new Cabinet that will end the divisiveness in the armed forces and among civilian political groups.  
 Aug. 5—Demonstrations continue against the Communists throughout the northern region.  
 Aug. 8—President Costa Gomes swears in a new Cabinet, which he says is a "transitory" government. The 2 major non-Communist parties withdrew from the Cabinet July 17.  
 Aug. 9—9 anti-Communist officers are suspended from the High Council of the Revolution for fomenting dissension among the armed forces. They accuse the Council of creating an East European-style Communist state.  
 Aug. 19—Leaders of 2 differing factions in the army meet with President Costa Gomes to present a unified pro-

posal for governing the country. They have reportedly threatened to use force if the President does not act quickly to remove pro-Communist Premier Vasco Gonçalves.

Aug. 25—President Costa Gomes meets with Premier Gonçalves. He also meets with General Otelo Carvalho, one of the 3 chiefs of staff. General Carlos Fabiao is reportedly ready to take over the government at the President's request as soon as Premier Gonçalves resigns. His resignation is reported to be imminent.

Aug. 29—President Costa Gomes dismisses Premier Gonçalves; he is replaced by Vice Admiral José Batista Pinheiro Azevedo, navy chief of staff. Gonçalves is named chief of staff of the armed forces.

## Portuguese Territories

### ANGOLA

Aug. 1—A delegation of 3 high-level Portuguese military officers arrives in Luanda. The fighting between Soviet-backed members of the Popular Movement for the Liberation of Angola and the National Front for the Liberation of Angola has spread to every town of any size south of Luanda.

Aug. 9—Fighting breaks out in Luanda, involving the two warring factions and including (for the 1st time) the previously neutral National Union for the Total Independence of Angola, on the side of the National Front.

Aug. 14—In a statement over Radio Angola, Portugal's High Commissioner announces that the Portuguese government has resumed administrative control of the country.

Aug. 15—The Popular Movement announces that it will not abdicate its administrative powers. The Popular Movement is the only one of the 3 rival groups with troops in Luanda.

Aug. 17—In Luanda, white settlers hold a demonstration to demand that the Portuguese airlift be supplemented by sea transportation. They are urging other countries, including the U.S., France and Brazil, to help get them out as soon as possible.

Aug. 26—The U.S. government says that it is willing to help evacuate the refugees as long as there is a government in Portugal with which it can work.

Aug. 28—Portuguese President Francisco da Costa Gomes formally requests U.S. assistance in evacuating 300,000 white settlers.

Aug. 29—The Portuguese government suspends the Alvor Agreement which set November 11 as the date for Angolan independence.

2 of the 3 rival independence groups agree on a cease-fire and an exchange of prisoners.

### CABINDA

Aug. 1—The president of the Cabinda nationalist movement, based in Kinshasa, Zaire, declares Cabinda's independence from Portugal.

### TIMOR

Aug. 12—The Democratic Union of Timor stages a coup. Leaders demand the immediate independence of the country from Portugal and the imprisonment of all the leaders of the left-wing Fretilin movement (the Revolutionary Front for Independent East Timor).

The Portuguese government rejects the demands of the rebels.

Aug. 13—Fighting breaks out between members of the Democratic Union and the Fretilin party.

Aug. 23—A Norwegian ship arrives to evacuate the nearly 1,000 refugees from the besieged capital of Dili. The fighting continues.

## RHODESIA

(See also *South Africa*)

Aug. 25—In Victoria Falls, South African Prime Minister John Vorster and Zambian President Kenneth Kaunda meet with Rhodesians, black and white, in an all-day conference on a new constitution for Rhodesia. Rhodesian Prime Minister Ian D. Smith represents the white Rhodesian government.

Aug. 26—Prime Minister Smith leaves the meeting with the black nationalists. He accuses the leaders of the African National Council of trying to make the talks fail.

Aug. 27—The 16 black members of Parliament recognize the African National Council as the "true voice of the African people" in the country.

## SOUTH AFRICA

(See also *Rhodesia*)

Aug. 1—The government announces its intention to withdraw its remaining paramilitary police force from Rhodesia.

Aug. 9—In Zaire, French President Valéry Giscard d'Estaing announces the suspension of all sales of arms "having a continental use" to South Africa. France will continue to sell arms for submarines and ships.

Aug. 17—The chief minister of Ovamboland in South-West Africa (Namibia), Filemon Elifas, is shot to death. He was a proponent of the South African policy of "separate development."

Aug. 19—7 officials of the South-West African People's Organization are arrested by South African policemen. They are advocates of full independence for Namibia.

## SPAIN

Aug. 4—A television broadcast reports the arrest of one of the country's most wanted guerrillas, Basque separatist Pedro Ignacio Beotegui, popularly known as "Wilson." He has been accused of leading the group of Basque separatists who assassinated Premier Luis Carrero Blanco in 1973.

Aug. 23—The government approves a broad antiterrorist law, designed to control the guerrilla activities of the Basque separatist organization (ETA) and the Patriotic Anti-Fascist Revolutionary Front.

## SYRIA

Aug. 22—In Damascus, President Hafez al-Assad and Jordanian King Hussein issue a joint communiqué announcing the formation of a high command to take political and military action against Israel.

## THAILAND

Aug. 1—Premier Kukrit Pramoj's coalition government wins approval of the National Assembly for its 1976 budget.

Aug. 5—3 international relief agencies agree to take over responsibility for the refugees seeking asylum in Thailand.

Aug. 9—200 Communist guerrillas attack a border police station south of Bangkok. 10 policemen are killed.



## U.S.S.R.

(See also *Intl. Conference on Security and Cooperation in Europe; Canada; U.S., Foreign Policy*)

Aug. 10—Czechoslovak President Gustav Husak and Communist Party Secretary Leonid I. Brezhnev confer in secret talks in Yalta.

## UNITED KINGDOM

### Great Britain

Aug. 15—The government reports a 1 percent rise in prices for the month of July, the lowest increase in almost a year.

Aug. 20—Prime Minister Harold Wilson goes on national television to encourage workers to accept the government's policy of limiting wage increases to between \$12 and \$13 a week for the next year.

Aug. 21—The government reports a rise in the unemployment rate to 5.4 percent, the highest in 30 years.

Aug. 28—The coal miners vote to endorse Wilson's austerity wage program.

### Northern Ireland

Aug. 9—In Belfast, fighting flares up on the 4th anniversary of the British government's introduction of the internment-without-trial policy. 1 person is killed and 40 are injured.

Aug. 12—Fighting continues between Catholics and Protestants, bringing the death toll to 3 and the injured to 64. This is the worst outbreak of fighting since a ceasefire was signed 6 months ago.

## UNITED STATES

### Administration

Aug. 3—The Federal Bureau of Investigation reveals that it is cooperating in an investigation of the disappearance of former Teamsters Union President James Hoffa in Michigan July 30, because of threats to the Hoffa family and "extortionate communications" received in connection with the case.

Aug. 4—A Civil Service Commission report released by a congressional committee charges that officials of the Small Business Administration were hired illegally because of the use of political influence.

Aug. 7—The House Select Committee on Intelligence hears that the FBI spends \$82.5 million a year secretly for intelligence and counter-espionage activities.

Aug. 11—In a divided opinion, a U.S. court of appeals in Washington, D.C., says that President Ford has no legal authority to levy fees on imported oil: in its 1955 trade legislation, Congress granted the President only the power to limit imports directly by import quotas. The ruling invalidates the \$2-a-barrel fee imposed by the President in 1975 and the 21¢-a-barrel fee imposed by President Richard Nixon in May, 1973.

Aug. 13—The Energy Research and Development Administration reveals a 3-part plan to develop solar energy over the next 45 years.

Attorney General Edward H. Levi reveals that the Department of Justice plans to limit the domestic intelligence operations of the Federal Bureau of Investigation.

Aug. 14—Solicitor General Robert H. Bork says the administration will ask the Supreme Court to overturn the ruling that the President cannot place a tariff on imported oil.

Aug. 19—In a speech to the national convention of the

American Legion in Minneapolis, President Ford warns that if a nuclear arms pact is not reached with the Soviet Union at the SALT talks in Geneva, he will ask Congress for \$3 billion to increase spending on strategic nuclear arms.

Aug. 21—James E. Akins will be replaced as ambassador to Saudi Arabia December 1. His successor is not named.

Aug. 25—In a speech to hardware merchants in Chicago, President Ford promises to "get the federal government out of your businesses, out of your lives, out of your pockets and out of your hair."

### Civil Rights

Aug. 10—The Carnegie Council on Policy Studies in Higher Education issues a report calling federal affirmative action programs to end discrimination a "badly developed series of federal mechanisms." Implementation of the programs by the colleges is also criticized in the report.

Aug. 11—In Boston, federal district Judge W. Arthur Garrity, Jr., orders a 3-day delay to September 8 in the opening of public schools in Boston under a new integration program in order to give everyone concerned more time to prepare.

Aug. 19—In response to a question at a regional White House conference on energy and the economy in Peoria, Illinois, President Ford says that "I don't think forced busing to achieve racial balance is the proper way to get quality education."

Aug. 27—In Cleveland, a federal jury, voting 10 to 2, finds Governor James Rhodes and 27 Ohio National Guardsmen not liable for the shootings at Kent State in 1970 in which 4 students were killed and 9 wounded by the Ohio National Guard.

### Economy

Aug. 7—The wholesale price index rose 1.2 percent in July, according to the Department of Labor.

Aug. 8—The United States Steel Corporation announces a price increase averaging 3.8 percent, effective between now and October 1.

Aug. 9—The First National City Bank of New York raises its prime lending rate ¼ percent to 7¾ percent.

Aug. 13—An announcement by General Motors Corporation says that it will raise the price of its 1976 cars by 4.4 percent or about \$206 per car.

Aug. 18—The Commerce Department reports a 14 percent increase in housing starts in July.

Aug. 21—The Commerce Department reports orders for durable goods increased by 5.3 percent in July.

The Labor Department reports a rise in the consumer price index for July of 1.2 percent.

Secretary of Agriculture Earl L. Butz says that the Soviet grain purchase will effect an increase in domestic grain prices of 1.5 percent; he says the total cost of food will increase 9 percent in 1975.

Aug. 26—The Commerce Department reports a trade surplus of \$1 billion for July—the 4th largest ever recorded.

New York City Mayor Abraham Beame and New York Governor Hugh Carey agree on the creation of a new panel (to include themselves and State Controller Arthur Levitt) to supervise the fiscal affairs of New York City.

Aug. 29—Secretary of Housing, Education, and Welfare Carla Hills announces that the interest ceiling on government-backed mortgage loans will be raised to 9 percent from 8.5 percent, effective September 1.

## Foreign Policy

(See also *Intl. Conference on Security and Cooperation in Europe; Japan; Portugal, Angola; U.S., Labor*)

- Aug. 1—President Gerald Ford addresses the Conference on Security and Cooperation in Europe in Helsinki, Finland, declaring that the meeting will be judged "not by the promises we make but by the promises we keep."
- Aug. 2—Meeting for the second time in Helsinki, President Ford and Soviet Communist party leader Leonid Brezhnev make slight progress in negotiations aimed at curbing the nuclear arms race.
- Aug. 3—In Belgrade, President Ford meets and dines formally with President Tito of Yugoslavia. Tito declares that for lasting peace in the Middle East Israel must return occupied Arab lands and recognize Palestinian independence.
- Aug. 4—The Department of State reveals that the U.S. is willing to sell military equipment to Yemen.
- Aug. 11—State Department officials reveal that President Ford will delay indefinitely his trip to India planned for this fall.
- Aug. 21—A Department of State spokesman announces an easing of the 12-year-old restrictions on exports to Cuba by foreign subsidiaries of American companies. The embargo on direct trade between the 2 countries is still in effect.
- Aug. 27—In Seoul, Secretary of Defense James Schlesinger reaffirms the U.S. defense treaty with South Korea and the U.S. intention to deter any attack from the North.

## Industrial Scandal

- Aug. 1—The Lockheed Aircraft Corporation issues a news release admitting that since 1970 the corporation has paid at least \$22 million to foreign officials and foreign political organizations.
- Aug. 7—22 people and ADNAC, Inc., a corporate affiliate of 2 major grain companies, are indicted by a federal grand jury in New Orleans on charges that include conspiracy to steal grain from foreign shipments.
- Aug. 9—Complying with an order of the Securities and Exchange Commission, Ashland Oil, Inc. reveals the names of the recipients of some \$1.2 million in its foreign payments and illegal domestic political contributions.

## Labor

- Aug. 18—George Meany, president of the American Federation of Labor and Congress of Industrial Organizations, calls for a boycott of all grain shipments to the Soviet Union. He demands assurances that the government will guard against an increase in domestic grain prices and protect U.S. shipping interests.  
In Des Moines, Iowa, President Ford defends the sale of wheat to the Soviet Union, declaring that "a sound, fully productive agriculture is a key element of this nation's quest for peace."
- Aug. 19—In Galveston, a federal district judge orders the longshoremen to return to work loading wheat purchased by the Soviet Union.
- Aug. 26—Meeting in Washington, D.C., President Ford and George Meany fail to reach an agreement on the AFL-CIO boycott of U.S. grain shipments to the Soviet Union.
- Aug. 31—5 labor union leaders criticize President Ford's economic policies as inadequate. They call for a public works program and permanent tax cuts.

## Legislation

- Aug. 6—The President signs a 7-year extension of the Voting Rights Act of 1965.
- Aug. 11—The President signs legislation giving a cost-of-living pay increase to federal judges, members of Congress, and high ranking federal employees, including Vice President Nelson Rockefeller.
- Aug. 15—All major provisions of the federal election law of 1974 are held to be constitutional by the U.S. Court of Appeals for the District of Columbia Circuit.
- Aug. 31—The Emergency Petroleum Allocation Act expires at midnight. The President has not acted on the 6-month extension of oil price controls passed by Congress July 31; he has agreed to delay his veto of this extension to try to work out a compromise.

## Military

- Aug. 9—The Defense Department reports that, in the fiscal year ending June 30, U.S. sales of armaments overseas reached a record \$9 billion; sales in fiscal 1974 were a record \$7 billion.
- Aug. 12—Charles E. Goodell, chairman of the Presidential Clemency Board, says that the board has given 6,000 unconditional pardons to persons convicted of draft desertion or evasion or who received punitive military discharges. About 12,000 cases have been acted on so far; some 4,000 cases are still to be processed.

## Political Scandal

- Aug. 6—A federal district court judge acquits former Republican Senator Edward J. Gurney of 5 felony charges involving an election campaign fund-raising operation.
- Aug. 12—Former Attorney General Richard G. Kleindienst is suspended from practicing law before the Court of Appeals for the District of Columbia for 1 month for lying about White House involvement in an antitrust suit against the International Telephone and Telegraph Corporation.
- Aug. 20—In a deposition taken last month and released today, former President Richard M. Nixon asserts that only he should determine what parts of his presidential papers should be made public. He has filed suit in a U.S. district court challenging the constitutionality of a law passed last year that gave custody of his papers to the government.

## Politics

- Aug. 14—Former Governor of Georgia Jimmy Carter says he has qualified for federal subsidies in his bid for the Democratic presidential nomination.

## Science and Space

- Aug. 20—In Cape Canaveral, a Viking unmanned spacecraft is launched on a 10-month journey to Mars; it is scheduled to go into orbit and then land on Mars in July, 1976.

## VIETNAM, DEMOCRATIC REPUBLIC OF (North)

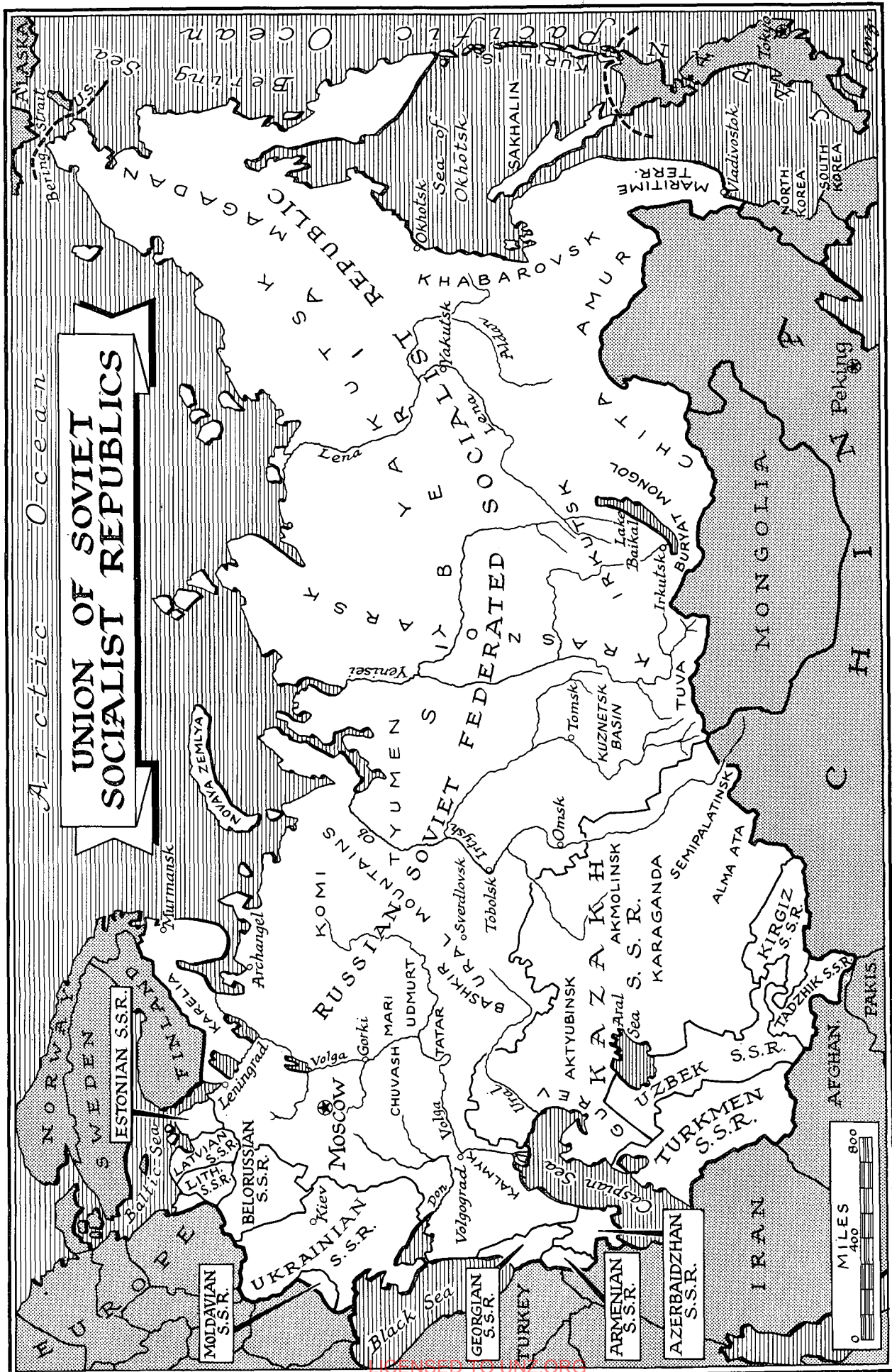
- Aug. 14—A delegation of economists led by Deputy Premier Le Thanh Nghi meets in Peking with Chinese officials, the 1st reported visit since North Vietnam's victory in South Vietnam in April, 1975.

## YEMEN

(See *U.S., Foreign Policy*)

## YUGOSLAVIA

(See *U.S., Foreign Policy*)





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